REPUBLIC OF SOUTH AFRICA

# DIVISION OF REVENUE BILL

*(As introduced in the National Assembly (proposed section 76); explanatory summary of Bill and prior notice of its introduction published in Government Gazette No. 52061 of 7 February 2025)*
*(The English text is the official text of the Bill)*

(MINISTER OF FINANCE)

**[B 7—2025]**

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# BILL

**To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2025/26 financial year; the determination of each province's equitable share; allocations to provinces, local government and municipalities from national government's equitable share; the responsibilities of all three spheres of government pursuant to such division and allocations; and to provide for matters connected therewith.**

## PREAMBLE

**WHEREAS** section 214(1) of the Constitution 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; and

**WHEREAS** section 7(1) of the Money Bills 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,

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

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## CHAPTER 1

## INTERPRETATION AND OBJECTS OF ACT

### Interpretation

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

"**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 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 as envisaged in section 155(1) of the Constitution;

"**classified disaster**" means a disaster classified as a national, provincial or local state of disaster in terms of section 23 of the Disaster Management Act, 2002 (Act No. 57 of 2002);

"**conditional allocation**" means an allocation to a province or municipality from the national government's share of revenue raised nationally, as 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;

"**corporation for public deposits account**" means a bank account of the Provincial Revenue Fund held with the Corporation for Public Deposits, established by section 2 of 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;

"**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 15 or 25;

"**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;

"**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;

"**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;

"**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;

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

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

"**Municipal Systems Act**" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

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

"**overpayment**" means the transfer of more than the allocated amount of an allocation or the transfer of an allocation in excess of the applicable amount in a payment schedule;

"**payment schedule**" means a schedule which sets out—

*(a)* the amount of each transfer of a provincial equitable share or a conditional allocation for a province or municipality to be transferred in terms of this Act;

*(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 36;

"**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

*(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;

"**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—

(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, the period from—

(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—

*(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 through an appropriation from its Provincial Revenue Fund; or

*(b)* a Schedule 4, 5 or 7 allocation transferred to a municipality, the accounting officer of the municipality;

"**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 through an appropriation from its Provincial Revenue Fund;

"**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;

"**Urban Development Financing Grant**" means the Urban Development Financing Grant referred to in Part B of Schedule 4;

"**Urban Development Settlements Grant**" means the Urban Development Settlements Grant referred to in Part B of Schedule 4; and

"**working day**" means any day, except a Saturday, a Sunday or a public holiday as defined in the Public Holidays Act, 1994 (Act No. 36 of 1994).

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

**Objects of Act**

**2.** The objects of this Act are—

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

(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; and
(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;

*(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)* to 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.

## CHAPTER 2

## EQUITABLE SHARE ALLOCATIONS

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

**3.** (1) Revenue raised nationally in respect of the 2025/26 financial year must be divided among the national, provincial and local spheres of government as set out in Column A of Schedule 1.

(2) The envisaged division among the national, provincial and local spheres of government of revenue anticipated to be raised nationally in respect of the 2026/27 financial year and the 2027/28 financial year, and which is subject to the Division of Revenue Acts for those financial years, is set out in Column B of Schedule 1.

### 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 2025/26 financial year is set out in Column A of Schedule 2.

(2) The envisaged equitable share for each province from the provincial share of revenue anticipated to be raised nationally in respect of the 2026/27 financial year and the 2027/28 financial year, and which is subject to the 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 22.

### 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 2025/26 financial year is set out in Column A of Schedule 3.

(2) The envisaged equitable share for each municipality from local government's share of revenue anticipated to be raised nationally in respect of the 2026/27 financial year and the 2027/28 financial year, and which is subject to the Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3.

(3) The national department responsible for local government must, unless otherwise determined by the National Treasury, transfer a municipality's equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 7 July 2025, 9 December 2025 and 11 March 2026, in the amounts determined in terms of section 22(2).

### Shortfalls, excess revenue and increasing equitable share

**6.** (1) If the actual revenue raised nationally in respect of the 2025/26 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 2025/26 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.

(3) Further allocations may be made from the excess revenue envisaged in subsection (2), in accordance with the applicable legislation envisaged in section 12 of the Money Bills and Related Matters Act, 2009 (Act No. 9 of 2009), to—

*(a)* national departments;

*(b)* provinces; or

*(c)* municipalities.

(4)*(a)* If any expenditure from contingencies is approved in terms of the Appropriation Act, 2025, to increase the equitable share of provinces or municipalities, the National Treasury must increase the equitable share per province or per municipality by notice in the *Gazette*.

*(b)* The increase referred to in paragraph *(a)* takes effect on the date of publication in the *Gazette*.

*(c)* Section 22 of this Act applies with the necessary changes in relation to the increase referred to in paragraph *(a)*.

## CHAPTER 3

## CONDITIONAL ALLOCATIONS TO PROVINCES AND MUNICIPALITIES

### *Part 1*

### *Conditional allocations*

**Conditional allocations to provinces**

**7.** (1) Conditional allocations to provinces for the 2025/26 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;

*(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, which may be released to provinces to fund an immediate response to a classified disaster.

(2) An envisaged division of conditional allocations to provinces from the national government's share of revenue anticipated to be raised nationally for the 2026/27 financial year and the 2027/28 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1).

(3)*(a)* A Member of the Executive Council responsible for finance in a province may pledge a conditional allocation or an envisaged conditional allocation, or a portion thereof, as security for any borrowing in terms of the Borrowing Powers of Provincial Governments Act, 1996 (Act No. 48 of 1996), in accordance with this subsection.

*(b)* If a Member of the Executive Council responsible for finance in a province intends to pledge as envisaged in paragraph *(a)*, he or she must—

(i) consult the relevant transferring officer; and

(ii) obtain the approval of the Loan Co-ordinating Committee, referred to in section 2 of the Borrowing Powers of Provincial Governments Act, 1996.

*(c)* The pledging envisaged in paragraph *(a)* must comply with any conditions imposed by the Loan Co-ordinating Committee.

*(d)* The relevant receiving officer must submit financial and non-financial reports, in the format and on the dates determined by the National Treasury, for any project pledged to be partially or fully funded by using a conditional allocation or an envisaged conditional allocation, or a portion thereof, as security as envisaged in paragraph *(a)*.

(4)*(a)* If any expenditure from contingencies is approved in terms of the Appropriation Act, 2025, to increase any conditional allocation to provinces, the National Treasury must increase the allocation per province by notice in the *Gazette*.

*(b)* The increase referred to in paragraph *(a)* takes effect on the date of publication in the *Gazette*.

*(c)* If a conditional allocation in Part A of Schedule 5 or 6 is increased in terms of paragraph *(a)*, the National Treasury must amend the notice published in terms of section 15 by notice in the *Gazette*.

*(d)* Section 23 of this Act applies with the necessary changes in relation to the increase referred to in paragraph *(a)*.

**Conditional allocations to municipalities**

**8.** (1) Conditional allocations to municipalities in respect of the 2025/26 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;

*(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

*(d)* Part B of Schedule 7, specifying funds that are not allocated to specific municipalities that may be released to municipalities to fund an immediate response to a classified disaster.

(2) An envisaged division of conditional allocations to municipalities from the national government's share of revenue anticipated to be raised nationally for the 2026/27 financial year and the 2027/28 financial year, which is subject to the annual Division of Revenue Acts for those years, is set out in Column B of the Schedules referred to in subsection (1).

(3)*(a)* A municipality that intends to pledge a conditional allocation, or a portion thereof, as security for any obligations in terms of section 48 of the Municipal Finance Management Act, must, in addition to notifying the National Treasury in terms of section 46(3) of that Act, notify the transferring officer and the relevant provincial treasury of that intention and provide the transferring officer and National Treasury at least 21 days to comment before seeking the approval of the municipal council.

*(b)* A municipality must submit financial and non-financial reports, in the format and on the dates determined by the National Treasury, for any project pledged to be partially or fully funded by using a conditional allocation, or a portion thereof, as security as envisaged in paragraph *(a)*.

(4)*(a)* If any expenditure from contingencies is approved in terms of the Appropriation Act, 2025, to increase any conditional allocation to municipalities, the National Treasury must increase the allocation per municipality by notice in the *Gazette*.

*(b)* The increase referred to in paragraph *(a)* takes effect on the date of publication in the *Gazette*.

*(c)* If a conditional allocation in Part B of Schedule 5 or 6 is increased in terms of paragraph *(a)*, the National Treasury must amend the notice published in terms of section 15 by notice in the *Gazette*.

*(d)* Section 23 of this Act applies with the necessary changes in relation to the increase referred to in paragraph *(a)*.

***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—

*(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 22, unless allocations, or a portion thereof, are withheld or stopped in terms of section 17 or 18;

*(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 Development Financing Grant and Urban Development Settlements Grant against the capital budget and the service delivery and budget implementation plan;

*(d)* comply with the applicable framework;

*(e)* submit a quarterly financial and non-financial performance report within 45 days after the end of each quarter to the National Treasury in terms of the applicable framework; and

*(f)* evaluate the performance of programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury within four months after the end of the 2025/26 financial year applicable to a provincial department or a municipality, as the case may be.

(2) Any monitoring programme or system that is used 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;

*(b)* not impose any excessive administrative responsibility on receiving officers beyond the provision of standard management and budget information;

*(c)* be compatible and integrated with and not duplicate other relevant national, provincial and local systems; and

*(d)* support compliance with section 11(2).

(3) A framework may impose a duty on the accounting officer of a national or provincial department, other than the transferring officer or receiving officer, which contributes to achieving the purpose of the allocation, and the accounting officer must comply with the duty.

**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—

*(a)* monitor financial and non-financial performance information on programmes funded by the allocation;

*(b)* not later than 14 days after this Act takes effect, certify to the National Treasury that—

(i) any monitoring or system that is used, is compatible and integrated with and does not duplicate other relevant national, provincial and local systems; and

(ii) any plans required in terms of the framework of a Schedule 5 allocation regarding the use of the allocation by—

*(aa)* a province, have been approved before the start of the financial year; or

*(bb)* a municipality, shall be approved before the start of the financial year;

*(c)* 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 after submission of all relevant information to the National Treasury;

(ii) transfer funds in accordance with the payment schedule determined in terms of section 22, unless allocations, or a portion thereof, are withheld or stopped in terms of section 17 or 18; and

(iii) deposit funds only into the primary bank account of the relevant province or municipality; and

*(d)* comply with the applicable framework.

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

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

(4) Before making the first transfer of any allocation in terms of subsection (1)*(c)*, the transferring officer must ensure that the banking details of the relevant province or municipality are as contained in the notice issued by the National Treasury in terms of section 30(1).

(5)*(a)* 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, but subject to paragraph *(b)*, submit information, in the format determined by the National Treasury, for the month in question, and for the 2025/26 financial year up to the end of that month, on—

(i) the amount of funds transferred to a province or municipality;

(ii) the amount of funds for any province or municipality withheld or stopped in terms of section 17 or 18, 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;

(iii) the actual expenditure incurred by the province or municipality in respect of a Schedule 5 allocation;

(iv) the actual expenditure incurred by the transferring officer in respect of a Schedule 6 allocation;

(v) any matter or information that may be required by the applicable framework for the particular allocation; and

(vi) such other matters as the National Treasury may determine.

*(b)* For purposes of the application of paragraph *(a)* to Part B of Schedule 5, the period of 15 days envisaged in section 40(4)*(c)* of the Public Finance Management Act must be construed to mean a period of 20 days.

(6) 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 Insurance Indirect 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

*(b)* a quarterly performance report on 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 applicable framework.

(7) 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 within four months after the end of the 2025/26 financial year applicable to a provincial department or a municipality, as the case may be.

(8) The transferring officer of the Human Settlements Development Grant may only transfer the Grant to a province after the relevant receiving officer has complied with section 12(6)*(a)* and *(b)*.

(9) A framework may impose a duty on the accounting officer of a national or provincial department, other than the transferring officer or receiving officer, which contributes to achieving the purpose of the allocation and the accounting officer must comply with the duty.

**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 applicable framework; and

*(b)* the manner in which the allocation received from a transferring officer is allocated and spent.

(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 allocation is specifically and exclusively appropriated in that budget for utilisation only according to the purpose of the allocation; and

(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;

*(b)* when submitting the municipality's statements in terms of section 71 of the Municipal Finance Management Act for September 2025, December 2025, March 2026 and June 2026, report to the transferring officer, the relevant provincial treasury and the National Treasury—

(i) in respect of the Urban Development Financing Grant and Urban Development Settlements 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

*(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 Development Financing Grant and Urban Development Settlements Grant, on non-financial performance for that quarter against the measures defined in its service delivery and budget implementation plan; and

(ii) in respect of any other Schedule 4 allocation, on non-financial performance of programmes partially or fully funded by the allocation.

(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 Development Financing Grant, Urban Development Settlements 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.

(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;

*(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.

(5) The receiving officer must report on programmes partially or fully funded by a Schedule 4 allocation against the applicable 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 2025/26 financial year of the provincial department; and

*(b)* in respect of a municipality, after the end of the 2025/26 financial year of the municipality.

**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 comply with the applicable 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 within 15 days of the end of each month in terms of section 40(4)*(c)* of the Public Finance Management Act, report on the matters referred to in subsection (3) 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 no later than 10 working days after the end of each month 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

*(c)* a province or municipality, submit a quarterly non-financial performance report within 30 days after the end of each quarter.

(3) A report for a province in terms of subsection (2)*(a)* must set out for the month in question and for the 2025/26 financial year up to the end of the month—

*(a)* the amount received by the province;

*(b)* the amount of funds withheld or stopped in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken;

*(c)* the actual expenditure by the province in respect of Schedules 5 and 7 allocations;

*(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)*;

*(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;

*(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.

(4) A report for a municipality in terms of subsection (2)*(b)* must set out for the month in question and for the 2025/26 financial year up to the end of the month—

*(a)* the amount received by the municipality;

*(b)* the amount of funds withheld or stopped in terms of section 17 or 18, the reason for the stopping or withholding and any remedial action taken;

*(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 difficulties experienced by the municipality regarding an allocation which has been received and a summary of the steps taken to deal with such difficulties;

*(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 two months after the end of the 2025/26 financial year applicable to a provincial department or a municipality, as the case may be.

(6)*(a)* The receiving officer of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces must, in consultation with the transferring officer and after consultation with each affected municipality, publish in the *Gazette*, within 14 working days after this Act takes effect, the planned expenditure from the Human Settlements Development Grant and Informal Settlements Upgrading Partnership Grant: Provinces, for the 2025/26 financial year, the 2026/27 financial year and the 2027/28 financial year per municipality with level one or level two accreditation.

*(b)* The planned expenditure must—

(i) indicate the expenditure to be undertaken directly by the province and transfers to each municipality; and

(ii) include a payment schedule for transfers to each municipality in the 2025/26 financial year.

*(c)* The receiving officer of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces 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)*.

**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, Human Settlements Development Grant, Provincial Roads Maintenance Grant and any other conditional allocation partially or fully funding infrastructure must—

*(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;

*(b)* within seven days after the tabling in the legislature, submit the list to the transferring officer and the National Treasury;

*(c)* after consultation with the relevant provincial treasury and the transferring officer, submit any amendments to the infrastructure project list, together with reasons for the amendments, to the provincial treasury for tabling with the adjusted estimates of provincial expenditure;

*(d)* within seven days after the tabling in the legislature, submit the amended list to the transferring officer and the National Treasury;

*(e)* report, in the format and on the date determined by the National Treasury, to the transferring officer, the relevant provincial treasury and the National Treasury, on all infrastructure expenditure partially or fully funded by the relevant Grant;

*(f)* within 15 days after the end of each month, in the format determined by the National Treasury, submit to the relevant provincial treasury and transferring officer, a draft report on infrastructure programmes partially or fully funded from those Grants;

*(g)* within 22 days after the end of each month, submit to the transferring officer, the relevant provincial treasury and the National Treasury, a final report on infrastructure programmes partially or fully funded from those Grants; and

*(h)* within two months after the end of the 2025/26 financial year—

(i) based on the infrastructure budget of the province, evaluate the financial and non-financial performance of the province in respect of programmes partially or fully funded by the Grant; and

(ii) submit the evaluation to the transferring officer, the relevant provincial treasury and the National Treasury.

(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, the 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; and

*(b)* ensure that projects comply with infrastructure delivery management best practice standards and guidelines, as identified and approved by the National Treasury.

**Duties in respect of annual financial statements and annual reports for 2025/26 financial year**

**14.** (1) The 2025/26 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;

*(b)* indicate any transfer withheld or stopped in terms of section 17 or 18 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 17 or 18, and the reason for the non-compliance;

*(d)* indicate any reallocations by the National Treasury in terms of section 19;

*(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, used for the administration of the allocation by the receiving officer.

(2) The 2025/26 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 17 or 18;
*(b)* the systems used to monitor compliance with this Act by provinces or municipalities;
*(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.

(3) The 2025/26 financial statements of a provincial department 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 allocations received that were budgeted to be transferred to municipalities and public entities, including—
(i) the amounts transferred to municipalities and public entities, respectively; and
(ii) the reasons for any discrepancies;
*(c)* indicate the total amount of actual expenditure on each Schedule 5 or 7 allocation; and
*(d)* 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 2025/26 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—

*(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
*(e)* contain such other information as the National Treasury may determine.

(5) The 2025/26 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) To facilitate the monitoring of performance and the audit of the allocations for the 2025/26 financial year, the National Treasury may determine the format in which receiving officers must report on conditional allocations to municipalities in terms of sections 11(2)*(c)* and 12(2)*(c)*.

## *Part 3*

## *Matters relating to Schedule 4 to 7 allocations*

### Publication of allocations and frameworks

**15.** (1) The National Treasury must, within 14 working 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
*(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 published in terms of subsection (1)*(a)* or *(c)*, the National Treasury must—

*(a)* on its initiative and after consultation with the relevant transferring officer; or
*(b)* at the written request of the relevant transferring officer,

by notice in the *Gazette*, amend the affected allocation or framework.

(3) The National Treasury may, after consultation with the relevant transferring officer and by notice in the *Gazette*, amend an indicative conditional allocation in Schedule 6 published in terms of subsection (1)*(b)*.

(4) Before amending a framework in terms of subsection (2), the National Treasury must submit the proposed amendment to Parliament for comment for a period of 14 days when Parliament is in session.

(5) An amendment of an allocation or framework in terms of subsection (2) or (3) takes effect on the date of publication of the notice in the *Gazette*.

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

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

(2)*(a)* A framework may provide for components within a conditional allocation that are subject to specific conditions.

*(b)* A transferring officer may shift funds from one component to another—

(i) after consulting the relevant receiving officer;

(ii) with the approval of the National Treasury; and

(iii) in accordance with the applicable appropriation legislation.

*(c)* The National Treasury must publish a notice in the *Gazette* of a shift of funds in terms of paragraph *(b)* and include in the notice, the effective date of the shift.

(3) A receiving officer may only transfer any portion of a Schedule 4 or 5 allocation to any other organ of state, other than the department of the relevant transferring officer, for the performance of a function, if the receiving officer and the organ of state have agreed on the obligations of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and the National Treasury of the agreed payment schedule and—

*(a)* the funds—

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

(ii) if not already 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

*(bb)* the National Treasury approves the transfer; or

*(b)* the transfer is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph *(a)*(ii) applies with the necessary changes.

(4) Section 21(1) and (2) applies to funds referred to in subsection (3).

(5) The receiving officer must—

*(a)* submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury; and

*(b)* publish by notice in the *Gazette*, the allocations envisaged in subsection (3) before payment is made.

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

(i) Eskom Holdings Limited may receive funds directly from the transferring officer of the Department of Electricity and Energy; or

(ii) 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.

*(b)* A transferring officer may withhold the funds allocated in terms of paragraph *(a)*, or any portion thereof, for a period not exceeding 30 days, if—

(i) Eskom Holdings Limited or the relevant water board does not comply with this Act;

(ii) roll-overs of conditional allocations approved by the National Treasury in terms of section 21 have not been spent; or

(iii) there is significant under-expenditure on previous transfers during the 2025/26 financial year.

*(c)* A transferring officer must, at least seven working days before withholding an allocation in terms of paragraph *(b)*—

(i) give Eskom Holdings Limited or the relevant water board—

*(aa)* notice of the intention to withhold the allocation; and

*(bb)* an opportunity to submit written representations as to why the allocation should not be withheld; and

(ii) inform the relevant municipality, the National Treasury, the relevant provincial treasury and the provincial department responsible for local government of the withholding.

*(d)* A notice envisaged in paragraph *(c)*(i)*(aa)* must include the reasons for withholding the allocation and the intended duration of the withholding.

*(e)*(i) The National Treasury may instruct, or approve a request from, the transferring officer to withhold an allocation in terms of paragraph *(b)* for a period of 30 to 120 days, if the withholding shall—

*(aa)* facilitate compliance with this Act; or

*(bb)* minimise the risk of under-spending by Eskom Holdings Limited or the relevant water board.

(ii) 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 paragraph *(c)* and any representations received from Eskom Holdings Limited or the relevant water board.

(iii) The transferring officer must comply with paragraph *(c)* when the National Treasury instructs or approves a request by the transferring officer in terms of paragraph *(e)*(i).

*(f)* Despite paragraph *(b)*, a transferring officer may reallocate funds in terms of section 19(3).

*(g)*(i) Section 21(1) and (2) applies to funds referred to in paragraph *(a)*.

(ii) Eskom Holdings Limited or the relevant water board must ensure that any funds that must revert to the National Revenue Fund in terms of section 21(1) are paid into that Fund by the date determined by the National Treasury.

(iii) Eskom Holdings Limited or the relevant water board must request the roll-over of unspent funds through the relevant transferring officer.

(7)*(a)* For purposes of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces, a receiving officer and a municipality with level one or two accreditation or functions assigned in terms of section 126 of the Constitution to administer all aspects, including financial administration of a national housing programme (herein called ''assigned functions'') as at 1 April 2025, must, by the date determined by the National Treasury—

(i) agree on a payment schedule; and

(ii) submit, through the relevant provincial treasury, the payment schedule to the National Treasury.

*(b)* If a municipality receives accreditation after 1 April 2025, the National Treasury may approve that paragraph *(a)* applies.

*(c)* If the transfer of the Human Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant: Provinces to a municipality with assigned functions is withheld or stopped in terms of section 17 or 18, the receiving officer must request the National Treasury to amend the payment schedule in terms of section 23.

(8) 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—

*(a)* the funds from the conditional allocation for the province for the function must be stopped in terms of section 18 and reallocated in terms of section 19 to the municipality, which has been assigned the function;

*(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;

*(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 2026 and shall not be available in terms of section 30 of the Public Finance Management Act or section 22(2) of this Act;

*(e)* the receiving officer of the province must, within seven days after the function is assigned, submit to the transferring officer and the National Treasury a list of liabilities that are attached to the function, but that were not transferred to the municipality, to provide for the adjustment of the applicable allocations; and

*(f)* the receiving officer of the municipality must, within one month from the date of the stopping of funds in paragraph *(a)*, submit to the transferring officer a revised plan for its planned expenditure.

**Withholding of allocations**

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

*(a)* the province or municipality does not comply with any provision of this Act;

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

*(c)* there is significant under-expenditure on previous transfers during the 2025/26 financial year.

(2) If an allocation, or a portion thereof, is withheld in terms of subsection (1), it suspends the applicable payment schedule, approved in terms of section 22(3), until it is amended in terms of section 23.

(3) The amount withheld in terms of this section in the case of the Human Resources and Training 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.

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

*(a)* give the relevant receiving officer—

(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 of the withholding.

(5) A notice envisaged in subsection (4)*(a)*(i) must include the reasons for withholding the allocation, or a portion thereof, and the intended duration of the withholding to inform the amendment of the payment schedule in terms of section 23.

(6)*(a)* The National Treasury may instruct, or approve a request from, the transferring officer to withhold an allocation, or a portion thereof, in terms of subsection (1) for a period of 30 to 120 days, if the withholding shall—

(i) facilitate compliance with this Act; or

(ii) minimise the risk of under-spending by the relevant provincial department or municipality.

*(b)* When requesting the withholding of an allocation, or a portion thereof, 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.

*(c)* The transferring officer must 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**

**18.** (1) Despite section 17, 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)* in the case of—

(i) a province, if a serious or persistent material breach of this Act, as envisaged in section 216(2) of the Constitution, occurs; or

(ii) a municipality, if—

*(aa)* a serious or persistent material breach of this Act, as envisaged in section 216(2) of the Constitution, read with section 38(1)*(b)*(i) of the Municipal Finance Management Act, occurs; or

*(bb)* a breach or failure to comply, as envisaged in section 38(1)*(b)*(ii) of the Municipal Finance Management Act, occurs;

*(b)* if the National Treasury anticipates that a province or municipality shall substantially underspend on the allocation, or any programme, partially or fully funded by the allocation, in the 2025/26 financial year; or

*(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.

(2) A request by a transferring officer or a receiving officer to stop the transfer of a Schedule 4 or 5 allocation, or a portion thereof, to a province or municipality in terms of section 18(1)*(a)* or *(b)* must, in the case of—

*(a)* a province, be submitted to the National Treasury by 30 December 2025; and

*(b)* a municipality, be submitted to the National Treasury by 30 January 2026.

(3) The National Treasury must, before stopping an allocation, or a portion thereof, in terms of subsection (1)*(a)*(i) or *(b)*—

*(a)* comply with the procedures in section 17(4)*(a),* with the necessary changes; and

*(b)* inform the relevant transferring officer and provincial treasury of its intention to stop the allocation.

(4) The National Treasury must, before stopping an allocation, or a portion thereof, in terms of subsection (1)*(a)*(ii), comply with the applicable provisions of section 38 of the Municipal Finance Management Act.

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

(6)*(a)* If—

(i) an allocation, or any portion thereof, is stopped in terms of subsection (1)*(a)* or *(b)*; 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 used 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**

**19.** (1) When a Schedule 4 or 5 allocation, or a portion thereof, is stopped in terms of section 18(1)*(a)* or *(b)*, 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 2025/26 financial year.

(2)*(a)* When a Schedule 4 or 5 allocation, or a portion thereof, is stopped in terms of section 18(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 2025/26 financial year.

*(b)* The portion of the allocation reallocated in terms of paragraph *(a)* is, with effect from the date of the notice in the *Gazette* in terms of subsection (4)*(a)*, regarded as having been converted to an allocation in Part B of the same Schedule it appears before the reallocation.

(3)*(a)* If the transferring officer of a Schedule 6 allocation indicates, in writing, to the National Treasury that a portion of the allocation is likely to be underspent, or needs to be reprioritised to meet a priority, the National Treasury may, at the request of the transferring officer, determine that the portion be reallocated, as the same type of allocation as it was allocated originally, to a provincial department of another province or to another municipality.

*(b)* Before requesting a reallocation, the transferring officer must notify the affected provincial department or municipality of the proposed reallocation and give the provincial department or municipality at least 14 days to provide comments and propose changes.

*(c)* When making a request in terms of paragraph *(a)*, the transferring officer must submit to the National Treasury comments and proposed changes provided by the affected provincial department or municipality in terms of paragraph *(b)*.

*(d)* The reallocated portion must be spent by the end of the 2025/26 financial year.

*(e)* The reallocated portion is regarded as having been converted to an allocation to the relevant provincial department or municipality with effect from the date of the notice in the *Gazette* in terms of subsection (4)*(a)*.

(4)*(a)* The National Treasury must—

(i) give notice in the *Gazette* of a reallocation in terms of subsection (1), (2) or (3); and

(ii) provide a copy of the notice to the transferring officer and each affected receiving officer.

*(b)* The reallocation of a portion of an allocation not spent by the end of the 2025/26 financial year is eligible for a roll-over in terms of section 21(2).

(5)*(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—

(i) section 100 of the Constitution, the transferring officer to spend an allocation stopped in terms of section 18 of this Act 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 18 of this Act on behalf of the relevant municipality; or

(iii) section 150 of the Municipal Finance Management Act, the relevant transferring officer to spend an allocation stopped in terms of section 18 of this Act 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.

(6)*(a)* On a joint request by the transferring officer and the National Disaster Management Centre, established by section 8 of the Disaster Management Act, 2002 (Act No. 57 of 2002), the National Treasury may approve that a conditional allocation in Schedule 4, 5 or 6, or a portion thereof, be reallocated to pay for the alleviation of the impact of a classified disaster or the reconstruction or rehabilitation of infrastructure damage caused by a classified disaster.

*(b)* Before the National Treasury approves a reallocation, the receiving officer of the conditional allocation in Schedule 4 or 5 or the transferring officer of a Schedule 6 allocation must confirm that the affected funds are not committed in terms of any statutory or contractual obligation.

*(c)* The reallocated funds must be used in the 2025/26 financial year in the same sphere that the allocation was originally made and for the same functional area that the original allocation relates to.

*(d)* The transferring officer must, after consultation with the National Disaster Management Centre and with the approval of the National Treasury, determine the conditions for spending the reallocated funds.

*(e)* Subsection (4) applies, with the necessary changes, to a reallocation in terms of this subsection to another province or municipality.

**Conversion of allocations**

**20.** (1) If satisfied that the relevant provincial department or municipality has demonstrated the capacity to implement projects, the National Treasury may, at the request of the transferring officer and after consultation with the receiving officer and provincial treasury, convert any portion of—

*(a)* an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5;

*(b)* the School Infrastructure Backlogs Grant to the Education Infrastructure Grant; or

*(c)* the National Health Insurance Indirect Grant listed in Part A of Schedule 6 to the Health Facility Revitalisation Grant, District Health Programmes Grant, Human Resources and Training Grant or the National Health Insurance Grant listed in Part A of Schedule 5.

(2) The National Treasury may, after consultation with the relevant transferring officer, receiving officer and provincial treasury, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6, if it is satisfied that—

*(a)* the conversion shall prevent under-expenditure or improve the level of service delivery in respect of the allocation in question;

*(b)* the affected national or provincial department has demonstrated the capacity to implement projects;

*(c)* the transferring officer has made a demonstrable effort to strengthen the capacity of the receiving officer to implement the allocation, but the receiving officer is still not capable of meeting all the requirements of the allocation; and

*(d)* there is a history of poor performance in the previous two financial years for the relevant allocation to the receiving officer, including withholding and stopping of allocations.

(3) If satisfied that a municipality has failed to follow the applicable procurement prescripts prescribed in terms of the Municipal Finance Management Act, the National Treasury may, at the request of the transferring officer or in its discretion, after consultation with the relevant transferring officer and receiving officer, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6.

(4)*(a)* Any portion of an allocation, except the School Infrastructure Backlogs Grant, converted in terms of subsection (1), (2) or (3) must—

(i) be used for the same province or municipality to which the allocation was originally made; and

(ii) if—

*(aa)* possible, be used to implement the same project or projects that were planned if the allocation had not been converted; or

*(bb)* not possible, the receiving officer must sign an agreement that defines any new project to be funded, before it is implemented.

*(b)* The School Infrastructure Backlogs Grant must be used—

(i) for the same province to which the allocation was originally made; and

(ii) to implement the same project or projects that were planned if the allocation had not been converted.

(5) The National Treasury must—

*(a)* give notice in the *Gazette* of a conversion in terms of subsection (1), (2) or (3); and

*(b)* provide a copy of the notice to the transferring officer and each affected receiving officer.

(6) A conversion in terms of subsection (1), (2) or (3) takes effect on the date of publication of the notice in terms of subsection (5)*(a)*.

(7) If an allocation listed in Schedule 7 is insufficient for a classified disaster referred to in section 25(3)*(a)*, the National Treasury may, after consultation with, or on the request of, the relevant transferring officer, convert any portion of—

*(a)* the Provincial Disaster Response Grant listed in Part A of Schedule 7 to the Municipal Disaster Response Grant listed in Part B of Schedule 7; or

*(b)* the Municipal Disaster Response Grant listed in Part B of Schedule 7 to the Provincial Disaster Response Grant listed in Part A of Schedule 7.

(8) The National Treasury must—

*(a)* in the notice published in terms of section 25(3)*(c)*, include notification of the conversion in terms of subsection (7) and the effective date referred to in subsection (9); and

*(b)* provide a copy of the notice to the transferring officer.

(9) A conversion in terms of subsection (7) takes effect on the date that the National Treasury approves it.

**Unspent conditional allocations**

**21.** (1) Despite a provision 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 2025/26 financial year reverts to the National Revenue Fund, unless the roll-over of the allocation is approved in terms of subsection (2).

(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 2026/27 financial year if the unspent funds are committed to identifiable projects.

(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—

(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)*(a)* The National Treasury may, subject to paragraphs *(b)* and *(c)*, 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)*—

(i) in respect of a province, against future transfers of conditional allocations to that province; or

(ii) in respect of a municipality, against future transfers of the equitable share or conditional allocations to that municipality.

*(b)* Before any funds are offset in terms of paragraph *(a)*, the National Treasury must give the relevant transferring officer, province or municipality—

(i) notice of the intention to offset amounts against future allocations, the intended amount to be offset against allocations, the intended date for the offsetting and the reasons for the offsetting; and

(ii) an opportunity, within 14 days of receipt of the notice, to—

*(aa)* propose an alternative date for offsetting;

*(bb)* make written submissions why the full or a part of the amount should not be offset; or

*(cc)* propose an alternative date or dates by which the amount, or portions thereof, must be paid into the National Revenue Fund.

*(c)* The National Treasury must—

(i) accept the date or dates proposed in terms of paragraph *(b)*(ii)*(aa)* or *(cc)* or determine a different date or dates; or

(ii) accept or reject the submissions made in terms of paragraph *(b)*(ii)*(bb)*.

(5)*(a)* The National Treasury may amend the amount of the equitable share or a conditional allocation offset in terms of subsection (4).

*(b)* If the amendment envisaged in paragraph *(a)* results in an underpayment to a municipality—

(i) in respect of the equitable share of the municipality, the department responsible for local government must, despite section 5(3), transfer the difference to the municipality within 10 days; or

(ii) in respect of a conditional allocation of the municipality, the transferring officer must, despite the payment schedule envisaged in section 22(3), transfer the difference to the municipality within 10 days.

*(c)* If the amendment in terms of paragraph *(a)* results in an overpayment to a municipality, section 24 applies.

## CHAPTER 4

## MATTERS RELATING TO ALL ALLOCATIONS

### Payment requirements

**22.** (1)*(a)* The National Treasury must, after consultation with 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.

*(c)* Despite paragraph *(a)*, the National Treasury may advance funds to a province in respect of its equitable share, or a portion thereof, which has not yet fallen due for transfer in terms of the payment schedule—

(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 advance in terms of paragraph *(c)* must be offset against future transfers to the province, which would otherwise become due in terms of the payment schedule.

(2)*(a)* The National Treasury must, after consultation with the national department responsible for local government, determine the amount of a municipality's equitable share allocation to be transferred on each date referred to in section 5(3).

*(b)* If an amount less than the amount approved in terms of paragraph *(a)* is paid to a municipality, the difference must, despite section 5(3), be paid within 10 days after it comes to the attention of the national department responsible for local government, unless it is amended in terms of paragraph *(e)*.

*(c)* Despite paragraph *(a)*, the National Treasury may approve a request or direct that the equitable share, or a portion thereof, which has not yet fallen due for transfer in terms of section 5(3), be advanced to a municipality—

(i) after consultation with 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

(iii) on such conditions as the National Treasury may determine.

*(d)* Any advance in terms of paragraph *(c)* must be offset against future transfers to the municipality, which would otherwise become due in terms of section 5(3).

*(e)* The equitable share amount envisaged in paragraph *(a)* may be amended if the transfer of funds is stopped in terms of section 216(2) of the Constitution, read with sections 38 and 39 of the Municipal Finance Management Act, or offset in terms of section 21(4)*(a)*(ii) of this Act.

(3)*(a)* Subject to section 27(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.

*(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.

(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.

(6) Each transfer of an equitable share or a conditional allocation to a municipality in terms of this Act must be made through a payment system provided by the National Treasury.

**Amendment of payment schedule**

**23.** (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, or a portion thereof, in terms of section 17 or 18, submit an amended payment schedule to the National Treasury for approval.

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

(2) For purposes of—

*(a)* better management of debt and cash-flow; or

*(b)* addressing financial mismanagement, financial misconduct or slow or accelerated expenditure, the National Treasury may amend any payment schedule for an allocation listed in Schedule 2, 4 or 5, after notifying, in the case of—

(i) an allocation to a province, its provincial treasury;

(ii) an allocation to a municipality, the national department responsible for local government; and

(iii) 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

*(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**

**24.** (1) Despite any other legislation to the contrary, 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).

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

**New allocations during financial year and Schedule 7 allocations**

**25.** (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 15;

*(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 15(2) to (5) 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 transfers of a Schedule 7 allocation to a province or municipality for a classified disaster, within 100 days after the date of the classification of the disaster.

*(b)* The transferring officer must notify, in writing, the relevant provincial treasury and the National Treasury within five 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 envisaged in paragraph *(a)*, by notice in the *Gazette*, publish all transfers of a Schedule 7 allocation made for a classified disaster.

*(d)* The transferring officer, after consultation with the National Treasury, must determine the period in the financial year within which funds transferred in terms of paragraph *(a)* must be spent.

*(e)* The transferring officer may, after consultation with the National Treasury, amend the period referred to in paragraph *(d)*, provided that it ends in the financial year.

*(f)* The funds approved in terms of paragraph *(a)* must be included either in the provincial adjustments appropriation legislation, municipal adjustments budgets or other appropriation legislation.

**Preparations for 2026/27 financial year and 2027/28 financial year**

**26.** (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 2026/27 financial year and the 2027/28 financial year as set out in Column B of the Schedules to this Act, by 15 September 2025—

(i) agree with each category B municipality within the category C municipality's area of jurisdiction on the provisional allocations and the projects to be funded from those allocations in the 2026/27 financial year and the 2027/28 financial year; 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 29(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 3 October 2025, the National Treasury, after consultation with the relevant provincial treasury, must 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 paragraphs *(a)*(i) and (ii) and *(e)*, to the National Treasury by 28 November 2025.

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 28 November 2025, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2026/27 financial year.

(2)*(a)* The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2026/27 financial year and the 2027/28 financial year, as set out in Column B of the affected Schedules to this Act, must, by 3 October 2025, submit to the National Treasury—

(i) the provisional allocations to each province or municipality in respect of new conditional allocations to be made in the 2026/27 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;

(iii) the draft frameworks for the allocations referred to in subparagraphs (i) and (ii); and

(iv) electronic copies of any guidelines, business plan templates and other documents referred to in the draft frameworks referred to in subparagraph (iii).

*(b)* A transferring officer must consult the accounting officer of a national or provincial department on a duty assigned to that accounting officer in the draft framework before submission to the National Treasury in terms of paragraph *(a)*.

*(c)* When a document referred to in a draft framework that is submitted in terms of paragraph *(a)*(iii) is amended, the transferring officer must immediately provide the National Treasury and each receiving officer with electronic copies of the revised document.

*(d)* The National Treasury must approve any proposed amendment or adjustment for the 2026/27 financial year of the allocation criteria of an existing conditional allocation before the submission of the provisional allocations and draft frameworks.

*(e)* The transferring officer must, under his or her signature, submit to the National Treasury, by 28 November 2025, the final allocations and frameworks based on the provisional allocations and frameworks.

*(f)* If the transferring officer fails to comply with paragraph *(a)* or *(e)*, the National Treasury may determine the appropriate draft or final allocations and frameworks, taking into consideration the indicative allocations for the 2026/27 financial year.

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

(ii) The National Treasury must give notice, in writing, to the transferring officer of the intention to amend allocations and frameworks and invite the transferring officer to submit written comments within seven days after the date of the notification.

*(h)* The draft and final allocations and frameworks 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 dates before the start of the 2026/27 financial year.

(4)*(a)* For purposes of the Education Infrastructure Grant or Health Facility Revitalisation Grant in the 2026/27 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—

(i) an infrastructure asset management plan for all infrastructure programmes for a period of at least 10 years;

(ii) an infrastructure programme management plan, including an infrastructure procurement strategy for infrastructure programmes and projects envisaged to commence within the period for the medium-term expenditure framework; and

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

*(b)* The receiving officer of the relevant provincial department must review the document, referred to in paragraph *(a)*(iii), and if any substantive change is made to the document during the 2025/26 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)*(a)* Any category B municipality may apply to qualify for the Integrated Urban Development Grant, referred to in Part B of Schedule 5, by submitting an application to the Department of Cooperative Governance by 31 July 2025.

*(b)* The Department of Cooperative Governance must determine the form of the application, including the minimum qualifying conditions.

*(c)* The Department of Cooperative Governance must submit, by 3 October 2025, to the National Treasury for comment, a list of any proposed additional qualifying municipalities and any municipalities that have failed to meet the qualifying conditions to continue to qualify for approval.

*(d)* A municipality that is informed by the Department of Cooperative Governance that it has qualified for the Integrated Urban Development Grant, must submit to the Department of Cooperative Governance—

(i) by 30 March 2026, a first draft of its three-year capital programme and the 10-year Capital Expenditure Framework; and

(ii) by 1 June 2026, the final versions of its three-year capital programme and the 10-year Capital Expenditure Framework, which must be evaluated by the Department of Cooperative Governance after consultation with relevant stakeholders.

(6)*(a)* A provincial treasury must, in respect of the 2026/27 financial year—

(i) on the same date that its budget for the 2026/27 financial year is tabled in the provincial legislature; or

(ii) on a date not later than 15 June 2026 approved by the National Treasury,

publish a notice in the *Gazette* containing the information set out in section 29(2)*(a)*.

*(b)* This subsection continues in force until 15 June 2026.

**Transfers before commencement of Division of Revenue Act for 2026/27 financial year**

**27.** (1) Despite the Division of Revenue Act for the 2026/27 financial year not having commenced on 1 April 2026, the National Treasury may determine that an amount, not exceeding 45 per cent of the total amount of each—

*(a)* equitable share in terms of section 4(1), be transferred to the relevant province;

*(b)* equitable share in terms of section 5(1), be transferred to the relevant municipality;

*(c)* allocation made in terms of section 7(1) or 8(1), as the case may be, be transferred to the relevant province or municipality.

(2) An amount transferred in terms of subsection (1)*(c)* is, with the necessary changes, subject to the applicable framework for the 2025/26 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2025/26 financial year.

## CHAPTER 5

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

### Duties of municipalities

**28.** (1)*(a)* In addition to the requirements of the Municipal Finance Management Act, the accounting officer of a category C municipality must, within 10 days after this Act takes effect, submit to the National Treasury, the relevant provincial 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 2025/26 financial year, the 2026/27 financial year and the 2027/28 financial year, except if submitted in terms of any other legislation before the end of the 10-day period.

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

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

(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—

*(a)* the category C municipality retaining 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 not being 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

*(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 the payment schedule to the National Treasury before the commencement of the financial year.

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

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

(i) make allocations referred to in subsection (1)*(b)*;

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

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

*(b)* The following provisions apply to the withholding or stopping of an allocation, or a portion thereof, in accordance with paragraph *(a)*:

(i) Section 216 of the Constitution;

(ii) in the case of withholding an allocation, or a portion thereof, section 17(4)*(a)*, with the necessary changes; and

(iii) in the case of stopping an allocation, or a portion thereof, section 18(3)*(a)*, (4), (5) and (6), with the necessary changes.

*(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 must be spent by the end of the 2025/26 financial year.

(7) A municipality must ensure that any allocation made to it in terms of this Act, or by a province or another municipality, which 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.

**Duties and powers of provincial treasuries**

**29.** (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, not later than seven working days after this Act takes effect, publish by notice in the *Gazette*—

(i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds and from conditional allocations to the province;

(ii) the indicative allocation to be made per school and per hospital in the province in the format determined by the National Treasury;

(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 the programme;

(iv) the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2026/27 financial year and the 2027/28 financial year; and

(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.

*(b)* The allocations referred to in paragraph *(a)* must be regarded as final when the provincial appropriation Act takes effect or, if published on a later date, on the date of publication of the notice.

*(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 working days after the appropriation Act takes effect, and those allocations and budget must be regarded as final.

*(d)* Allocations to municipalities in terms of subsection (2)*(a)* must be consistent with the terms of any agreement concluded between the province and a municipality.

(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).

*(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 6 February 2026 or such later date as approved by the National Treasury and takes effect on the date of publication.

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

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

(5)*(a)* A provincial treasury must—

(i) ensure that a payment schedule, or any amendment thereof, 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

(iii) submit the payment schedules to the National Treasury within 14 days after this Act takes effect and any amended payment schedule, agreed to, within 14 days of it being agreed to.

*(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.

(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.

(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—

*(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

*(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**

**30.** (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 25.

(3) The National Treasury may include in a report on the equitable share and conditional allocations in terms of this Act, any report it publishes—

*(a)* that aggregates statements published by provincial treasuries envisaged in section 71(7) of the Municipal Finance Management Act; and

*(b)* in respect of municipal finances.

## CHAPTER 6

## GENERAL

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

**31.** (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—

*(a)* comply with section 41 of the Constitution and Chapter 4 of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005); and

*(b)* if it decides to institute judicial proceedings against another organ of state, within 10 working days of its decision, notify the National Treasury, the relevant provincial treasury, the Department of Cooperative Governance and the Auditor-General, of the details of compliance with Chapter 4 of the Intergovernmental Relations Framework Act, 2005, including an explanation of the failure to resolve the dispute.

(2) If an organ of state does not comply 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 incurred in terms of subsection (2) must be recovered or written off in terms of the applicable procedures in the Public Finance Management Act or the Municipal Finance Management Act.

**Irregular expenditure**

**32.** Expenditure of an allocation in Part B of Schedule 4 or Part B of Schedule 5 contrary to this Act is irregular expenditure and must be dealt with in terms of the Municipal Finance Management Act, except if it is unauthorised expenditure in terms of the Municipal Finance Management Act.

**Financial misconduct**

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

(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**

**34.** (1) The Minister may, in writing, delegate any of the powers entrusted to, and assign any of the duties imposed on, the National Treasury in terms of this Act, to an official of the National Treasury.

(2) A delegation or assignment in terms of subsection (1) to an official of the National Treasury—

*(a)* is subject to any limitations or conditions that the Minister may impose;

*(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.

(4) 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.

(5)*(a)* A transferring officer may, in writing, delegate any power entrusted to, and assign any duty imposed on, the transferring officer in terms of this Act, to an official in his or her department.

*(b)* A copy of the written delegation must be submitted to the National Treasury.

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

**Departures**

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

(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;

*(c)* impedes an immediate response to a classified disaster; or

*(d)* undermines the financial viability of the affected national department, 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**

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

*(a)* any matter which must or may be prescribed in terms of this Act; or

*(b)* any ancillary or incidental administrative or procedural matter that is necessary to prescribe for the proper implementation or administration of this Act.

**Repeal of laws and savings**

**37.** (1) Subject to subsection (2)—

*(a)* the Division of Revenue Act, 2024 (Act No. 24 of 2024), except sections 15 and 25, is hereby repealed;

*(b)* sections 15 and 25 of the Division of Revenue Act, 2024, are hereby repealed with effect from 1 July 2025 or the date that this Act takes effect, whichever is the later date;

*(c)* the Division of Revenue Amendment Act, 2024 (Act No. 48 of 2024), is hereby repealed.

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

*(a)* any duty to be performed in terms of any provision of an Act, referred to in subsection (1), after the end of the 2025/26 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 15 of the Division of Revenue Act, 2024, as amended in terms of section 15 or 25 of that Act, applies to funds of a conditional allocation approved for roll-over in terms of section 21(2) of that Act if that conditional allocation does not continue to exist in terms of this Act.

**Short title and commencement**

**38.** This Act is called the Division of Revenue Act, 2025, and takes effect on 1 April 2025 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 | |
|---|---|---|---|
| | 2025/26 | Forward Estimates | |
| | | 2026/27 | 2027/28 |
| | R'000 | R'000 | R'000 |
| National[1,2] | 1 585 101 200 | 1 660 233 769 | 1 737 088 377 |
| Provincial | 633 165 959 | 660 568 536 | 690 243 493 |
| Local | 106 087 022 | 110 661 361 | 115 665 536 |
| **TOTAL** | **2 324 354 181** | **2 431 463 666** | **2 542 997 406** |

*1. National share includes conditional allocations to provincial and local spheres, general fuel levy sharing with metropolitan municipalities, debt-service costs, the contingency reserve and provisional allocations*

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

## SCHEDULE 2

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

| Province | Column A | Column B | |
|---|---|---|---|
| | 2025/26 | Forward Estimates | |
| | | 2026/27 | 2027/28 |
| | R'000 | R'000 | R'000 |
| Eastern Cape | 82 452 399 | 85 665 070 | 89 501 602 |
| Free State | 34 836 292 | 36 304 798 | 37 876 423 |
| Gauteng | 133 979 469 | 138 934 364 | 144 160 521 |
| KwaZulu-Natal | 128 094 529 | 134 319 766 | 141 007 305 |
| Limpopo | 74 064 064 | 77 791 873 | 81 806 595 |
| Mpumalanga | 52 486 799 | 55 084 464 | 57 872 025 |
| Northern Cape | 17 110 732 | 17 924 043 | 18 792 817 |
| North West | 44 765 477 | 46 200 119 | 47 718 756 |
| Western Cape | 65 376 198 | 68 344 039 | 71 507 449 |
| **TOTAL** | **633 165 959** | **660 568 536** | **690 243 493** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **EASTERN CAPE** | | | | | |
| A | BUF | Buffalo City | 1 296 018 | 1 365 808 | 1 427 605 |
| A | NMA | Nelson Mandela Bay | 1 637 749 | 1 739 300 | 1 817 952 |
| B | EC101 | Dr Beyers Naude | 126 546 | 131 231 | 137 143 |
| B | EC102 | Blue Crane Route | 73 464 | 75 684 | 79 097 |
| B | EC104 | Makana | 135 052 | 140 120 | 146 429 |
| B | EC105 | Ndlambe | 142 119 | 147 290 | 153 935 |
| B | EC106 | Sundays River Valley | 122 783 | 127 670 | 133 431 |
| B | EC108 | Kouga | 203 533 | 213 418 | 223 037 |
| B | EC109 | Kou-Kamma | 72 001 | 74 812 | 78 184 |
| C | DC10 | Sarah Baartman District Municipality | 113 301 | 116 246 | 121 511 |
| **Total: Sarah Baartman Municipalities** | | | **988 799** | **1 026 471** | **1 072 767** |
| B | EC121 | Mbhashe | 325 208 | 322 794 | 337 372 |
| B | EC122 | Mnquma | 338 795 | 336 229 | 351 418 |
| B | EC123 | Great Kei | 55 269 | 55 109 | 57 592 |
| B | EC124 | Amahlathi | 137 520 | 136 575 | 142 739 |
| B | EC126 | Ngqushwa | 107 397 | 106 732 | 111 548 |
| B | EC129 | Raymond Mhlaba | 225 057 | 223 260 | 233 341 |
| C | DC12 | Amathole District Municipality | 1 206 329 | 1 277 913 | 1 335 701 |
| **Total: Amathole Municipalities** | | | **2 395 575** | **2 458 612** | **2 569 711** |
| B | EC131 | Inxuba Yethemba | 58 946 | 59 882 | 62 572 |
| B | EC135 | Intsika Yethu | 207 121 | 205 662 | 214 947 |
| B | EC136 | Emalahleni | 160 831 | 159 658 | 166 865 |
| B | EC137 | Dr. A.B. Xuma | 192 980 | 191 661 | 200 313 |
| B | EC138 | Sakhisizwe | 88 464 | 88 012 | 91 985 |
| B | EC139 | Enoch Mgijima | 245 285 | 245 760 | 256 916 |
| C | DC13 | Chris Hani District Municipality | 780 418 | 827 670 | 865 112 |
| **Total: Chris Hani Municipalities** | | | **1 734 045** | **1 778 305** | **1 858 710** |
| B | EC141 | Elundini | 200 223 | 199 345 | 208 353 |
| B | EC142 | Senqu | 196 074 | 195 063 | 203 877 |
| B | EC145 | Walter Sisulu | 82 737 | 84 017 | 87 796 |
| C | DC14 | Joe Gqabi District Municipality | 399 080 | 422 725 | 441 851 |
| **Total: Joe Gqabi Municipalities** | | | **878 114** | **901 150** | **941 877** |
| B | EC153 | Ngquza Hill | 344 827 | 342 387 | 357 854 |
| B | EC154 | Port St Johns | 203 130 | 201 950 | 211 068 |
| B | EC155 | Nyandeni | 347 318 | 345 078 | 360 666 |
| B | EC156 | Mhlontlo | 239 367 | 237 386 | 248 101 |
| B | EC157 | King Sabata Dalindyebo | 464 894 | 466 344 | 487 511 |
| C | DC15 | O.R. Tambo District Municipality | 1 266 988 | 1 346 030 | 1 406 920 |
| **Total: O.R. Tambo Municipalities** | | | **2 866 524** | **2 939 175** | **3 072 120** |
| B | EC441 | Matatiele | 319 324 | 317 618 | 331 972 |
| B | EC442 | Umzimvubu | 288 295 | 286 246 | 299 173 |
| B | EC443 | Winnie Madikizela-Mandela | 357 855 | 355 590 | 371 655 |
| B | EC444 | Ntabankulu | 164 065 | 162 686 | 170 026 |
| C | DC44 | Alfred Nzo District Municipality | 826 799 | 877 892 | 917 607 |
| **Total: Alfred Nzo Municipalities** | | | **1 956 338** | **2 000 032** | **2 090 433** |
| **Total: Eastern Cape Municipalities** | | | **13 753 162** | **14 208 853** | **14 851 175** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **FREE STATE** | | | | | |
| A | MAN | Mangaung | 1 197 582 | 1 271 840 | 1 329 354 |
| B | FS161 | Letsemeng | 93 781 | 97 204 | 101 588 |
| B | FS162 | Kopanong | 122 114 | 126 524 | 132 231 |
| B | FS163 | Mohokare | 102 636 | 105 816 | 110 592 |
| C | DC16 | Xhariep District Municipality | 52 928 | 53 850 | 56 291 |
| **Total: Xhariep Municipalities** | | | **371 459** | **383 394** | **400 702** |
| B | FS181 | Masilonyana | 173 418 | 178 538 | 186 602 |
| B | FS182 | Tokologo | 81 778 | 84 075 | 87 867 |
| B | FS183 | Tswelopele | 105 964 | 108 938 | 113 851 |
| B | FS184 | Matjhabeng | 776 731 | 816 136 | 853 071 |
| B | FS185 | Nala | 168 883 | 174 242 | 182 105 |
| C | DC18 | Lejweleputswa District Municipality | 156 107 | 160 201 | 167 456 |
| **Total: Lejweleputswa Municipalities** | | | **1 462 881** | **1 522 130** | **1 590 952** |
| B | FS191 | Setsoto | 277 095 | 286 477 | 299 411 |
| B | FS192 | Dihlabeng | 259 084 | 270 940 | 283 206 |
| B | FS193 | Nketoana | 144 013 | 148 987 | 155 712 |
| B | FS194 | Maluti-a-Phofung | 878 511 | 904 431 | 945 424 |
| B | FS195 | Phumelela | 109 494 | 112 973 | 118 070 |
| B | FS196 | Mantsopa | 121 173 | 125 225 | 130 874 |
| C | DC19 | Thabo Mofutsanyana District Municipality | 141 227 | 143 749 | 150 264 |
| **Total: Thabo Mofutsanyana Municipalities** | | | **1 930 597** | **1 992 782** | **2 082 961** |
| B | FS201 | Moqhaka | 312 705 | 325 734 | 340 485 |
| B | FS203 | Ngwathe | 288 814 | 298 921 | 312 464 |
| B | FS204 | Metsimaholo | 313 545 | 329 814 | 344 739 |
| B | FS205 | Mafube | 140 967 | 145 579 | 152 150 |
| C | DC20 | Fezile Dabi District Municipality | 183 611 | 190 834 | 199 466 |
| **Total: Fezile Dabi Municipalities** | | | **1 239 642** | **1 290 882** | **1 349 304** |
| | | | | | |
| **Total: Free State Municipalities** | | | **6 202 161** | **6 461 028** | **6 753 273** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **GAUTENG** | | | | | |
| A | EKU | City of Ekurhuleni | 5 950 244 | 6 319 198 | 6 604 955 |
| A | JHB | City of Johannesburg | 8 140 146 | 8 644 888 | 9 035 815 |
| A | TSH | City of Tshwane | 4 609 036 | 4 894 827 | 5 116 174 |
| B | GT421 | Emfuleni | 1 222 371 | 1 293 303 | 1 351 803 |
| B | GT422 | Midvaal | 184 733 | 196 031 | 204 856 |
| B | GT423 | Lesedi | 229 875 | 241 409 | 252 299 |
| C | DC42 | Sedibeng District Municipality | 320 303 | 332 642 | 347 690 |
| **Total: Sedibeng Municipalities** | | | **1 957 282** | **2 063 385** | **2 156 648** |
| B | GT481 | Mogale City | 696 434 | 739 617 | 773 063 |
| B | GT484 | Merafong City | 326 415 | 345 087 | 360 697 |
| B | GT485 | Rand West City | 497 947 | 526 106 | 549 906 |
| C | DC48 | West Rand District Municipality | 251 142 | 259 638 | 271 389 |
| **Total: West Rand Municipalities** | | | **1 771 938** | **1 870 448** | **1 955 055** |
| | | | | | |
| **Total: Gauteng Municipalities** | | | **22 428 646** | **23 792 746** | **24 868 647** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **KWAZULU-NATAL** | | | | | |
| A | ETH | eThekwini | 5 190 438 | 5 512 279 | 5 761 547 |
| B | KZN212 | uMdoni | 182 765 | 182 132 | 190 351 |
| B | KZN213 | uMzumbe | 169 550 | 167 994 | 175 573 |
| B | KZN214 | uMuziwabantu | 122 960 | 122 416 | 127 946 |
| B | KZN216 | Ray Nkonyeni | 308 440 | 311 402 | 325 529 |
| C | DC21 | Ugu District Municipality | 706 648 | 749 499 | 783 404 |
| **Total: Ugu Municipalities** | | | **1 490 363** | **1 533 443** | **1 602 803** |
| B | KZN221 | uMshwathi | 140 792 | 141 073 | 147 439 |
| B | KZN222 | uMngeni | 110 135 | 113 257 | 118 351 |
| B | KZN223 | Mpofana | 49 614 | 50 022 | 52 277 |
| B | KZN224 | iMpendle | 50 344 | 50 293 | 52 563 |
| B | KZN225 | Msunduzi | 877 312 | 926 722 | 968 645 |
| B | KZN226 | Mkhambathini | 87 953 | 87 957 | 91 932 |
| B | KZN227 | Richmond | 98 361 | 98 418 | 102 867 |
| C | DC22 | uMgungundlovu District Municipality | 788 577 | 831 328 | 868 929 |
| **Total: uMgungundlovu Municipalities** | | | **2 203 088** | **2 299 070** | **2 403 003** |
| B | KZN235 | Okhahlamba | 166 291 | 165 338 | 172 808 |
| B | KZN237 | iNkosi Langalibalele | 245 395 | 244 357 | 255 390 |
| B | KZN238 | Alfred Duma | 328 640 | 329 754 | 344 721 |
| C | DC23 | uThukela District Municipality | 650 756 | 690 588 | 721 829 |
| **Total: uThukela Municipalities** | | | **1 391 082** | **1 430 037** | **1 494 748** |
| B | KZN241 | eNdumeni | 72 758 | 74 106 | 77 446 |
| B | KZN242 | Nquthu | 187 504 | 186 005 | 194 404 |
| B | KZN244 | uMsinga | 231 369 | 230 138 | 240 534 |
| B | KZN245 | uMvoti | 187 232 | 187 510 | 195 984 |
| C | DC24 | uMzinyathi District Municipality | 550 411 | 584 003 | 610 422 |
| **Total: uMzinyathi Municipalities** | | | **1 229 274** | **1 261 762** | **1 318 790** |
| B | KZN252 | Newcastle | 564 171 | 586 466 | 613 028 |
| B | KZN253 | eMadlangeni | 39 891 | 39 853 | 41 646 |
| B | KZN254 | Dannhauser | 119 752 | 118 811 | 124 173 |
| C | DC25 | Amajuba District Municipality | 231 528 | 242 022 | 252 973 |
| **Total: Amajuba Municipalities** | | | **955 342** | **987 152** | **1 031 820** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| B | KZN261 | eDumbe | 103 723 | 103 173 | 107 831 |
| B | KZN262 | uPhongolo | 192 088 | 191 486 | 200 141 |
| B | KZN263 | AbaQulusi | 217 623 | 218 270 | 228 177 |
| B | KZN265 | Nongoma | 208 990 | 206 769 | 216 102 |
| B | KZN266 | Ulundi | 215 361 | 212 833 | 222 440 |
| C | DC26 | Zululand District Municipality | 710 459 | 754 150 | 788 265 |
| **Total: Zululand Municipalities** | | | **1 648 244** | **1 686 681** | **1 762 956** |
| B | KZN271 | uMhlabuyalingana | 241 779 | 240 607 | 251 480 |
| B | KZN272 | Jozini | 258 138 | 256 377 | 267 961 |
| B | KZN275 | Inkosi uMtubatuba | 243 711 | 241 964 | 252 894 |
| B | KZN276 | Big Five Hlabisa | 154 190 | 153 172 | 160 093 |
| C | DC27 | uMkhanyakude District Municipality | 657 203 | 697 528 | 729 084 |
| **Total: uMkhanyakude Municipalities** | | | **1 555 021** | **1 589 648** | **1 661 512** |
| B | KZN281 | uMfolozi | 184 853 | 183 335 | 191 616 |
| B | KZN282 | uMhlathuze | 585 884 | 612 883 | 640 629 |
| B | KZN284 | uMlalazi | 252 590 | 250 851 | 262 170 |
| B | KZN285 | Mthonjaneni | 102 124 | 101 135 | 105 696 |
| B | KZN286 | Nkandla | 125 157 | 124 030 | 129 627 |
| C | DC28 | King Cetshwayo District Municipality | 759 469 | 801 943 | 838 210 |
| **Total: King Cetshwayo Municipalities** | | | **2 010 077** | **2 074 177** | **2 167 948** |
| B | KZN291 | Mandeni | 244 198 | 243 909 | 254 934 |
| B | KZN292 | KwaDukuza | 289 206 | 297 144 | 310 604 |
| B | KZN293 | Ndwedwe | 203 077 | 201 732 | 210 844 |
| B | KZN294 | Maphumulo | 119 392 | 118 702 | 124 062 |
| C | DC29 | iLembe District Municipality | 836 610 | 888 937 | 929 146 |
| **Total: iLembe Municipalities** | | | **1 692 483** | **1 750 424** | **1 829 590** |
| B | KZN433 | Greater Kokstad | 87 720 | 88 864 | 92 867 |
| B | KZN434 | Johannes Phumani Phungula | 145 967 | 145 116 | 151 669 |
| B | KZN435 | uMzimkhulu | 258 619 | 257 352 | 268 981 |
| B | KZN436 | Dr Nkosazana Dlamini Zuma | 170 119 | 169 227 | 176 873 |
| C | DC43 | Harry Gwala District Municipality | 520 871 | 552 451 | 577 444 |
| **Total: Harry Gwala Municipalities** | | | **1 183 296** | **1 213 010** | **1 267 834** |
| | | | | | |
| **Total: KwaZulu-Natal Municipalities** | | | **20 548 708** | **21 337 683** | **22 302 551** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **LIMPOPO** | | | | | |
| B | LIM331 | Greater Giyani | 395 772 | 393 730 | 411 529 |
| B | LIM332 | Greater Letaba | 385 207 | 383 494 | 400 830 |
| B | LIM333 | Greater Tzaneen | 555 351 | 556 034 | 581 276 |
| B | LIM334 | Ba-Phalaborwa | 217 276 | 217 139 | 226 946 |
| B | LIM335 | Maruleng | 173 600 | 172 943 | 180 759 |
| C | DC33 | Mopani District Municipality | 1 427 429 | 1 517 993 | 1 586 656 |
| **Total: Mopani Municipalities** | | | **3 154 635** | **3 241 333** | **3 387 996** |
| B | LIM341 | Musina | 232 657 | 234 498 | 245 105 |
| B | LIM343 | Thulamela | 624 846 | 624 329 | 652 565 |
| B | LIM344 | Makhado | 512 943 | 513 230 | 536 530 |
| B | LIM345 | Collins Chabane | 513 377 | 511 779 | 534 922 |
| C | DC34 | Vhembe District Municipality | 1 567 856 | 1 668 368 | 1 743 836 |
| **Total: Vhembe Municipalities** | | | **3 451 679** | **3 552 204** | **3 712 958** |
| B | LIM351 | Blouberg | 245 311 | 243 904 | 254 923 |
| B | LIM353 | Molemole | 186 922 | 185 928 | 194 330 |
| B | LIM354 | Polokwane | 1 481 181 | 1 548 132 | 1 618 222 |
| B | LIM355 | Lepele-Nkumpi | 334 363 | 331 775 | 346 767 |
| C | DC35 | Capricorn District Municipality | 856 194 | 902 666 | 943 499 |
| **Total: Capricorn Municipalities** | | | **3 103 971** | **3 212 405** | **3 357 741** |
| B | LIM361 | Thabazimbi | 155 651 | 164 825 | 172 248 |
| B | LIM362 | Lephalale | 254 203 | 265 671 | 277 699 |
| B | LIM366 | Bela-Bela | 144 284 | 150 131 | 156 905 |
| B | LIM367 | Mogalakwena | 627 028 | 644 158 | 673 359 |
| B | LIM368 | Modimolle-Mookgophong | 162 022 | 168 891 | 176 538 |
| C | DC36 | Waterberg District Municipality | 158 221 | 162 671 | 170 036 |
| **Total: Waterberg Municipalities** | | | **1 501 409** | **1 556 347** | **1 626 785** |
| B | LIM471 | Ephraim Mogale | 201 450 | 200 603 | 209 670 |
| B | LIM472 | Elias Motsoaledi | 375 890 | 373 396 | 390 275 |
| B | LIM473 | Makhuduthamaga | 361 580 | 359 305 | 375 542 |
| B | LIM476 | Fetakgomo Tubatse | 615 561 | 612 026 | 639 826 |
| C | DC47 | Sekhukhune District Municipality | 1 209 760 | 1 285 864 | 1 344 030 |
| **Total: Sekhukhune Municipalities** | | | **2 764 241** | **2 831 194** | **2 959 343** |
| | | | | | |
| **Total: Limpopo Municipalities** | | | **13 975 935** | **14 393 483** | **15 044 823** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **MPUMALANGA** | | | | | |
| B | MP301 | Chief Albert Luthuli | 455 222 | 467 064 | 488 170 |
| B | MP302 | Msukaligwa | 285 986 | 300 145 | 313 730 |
| B | MP303 | Mkhondo | 366 077 | 378 280 | 395 368 |
| B | MP304 | Dr Pixley ka Isaka Seme | 172 696 | 177 909 | 185 942 |
| B | MP305 | Lekwa | 189 719 | 199 105 | 208 117 |
| B | MP306 | Dipaleseng | 109 806 | 113 360 | 118 480 |
| B | MP307 | Govan Mbeki | 492 462 | 522 997 | 546 648 |
| C | DC30 | Gert Sibande District Municipality | 346 259 | 360 387 | 376 687 |
| **Total: Gert Sibande Municipalities** | | | **2 418 227** | **2 519 247** | **2 633 142** |
| B | MP311 | Victor Khanye | 157 131 | 163 869 | 171 264 |
| B | MP312 | Emalahleni | 645 069 | 685 067 | 716 046 |
| B | MP313 | Steve Tshwete | 376 470 | 399 813 | 417 893 |
| B | MP314 | Emakhazeni | 96 841 | 100 552 | 105 084 |
| B | MP315 | Thembisile Hani | 609 976 | 627 342 | 655 779 |
| B | MP316 | Dr JS Moroka | 531 174 | 542 275 | 566 783 |
| C | DC31 | Nkangala District Municipality | 424 084 | 440 950 | 460 896 |
| **Total: Nkangala Municipalities** | | | **2 840 745** | **2 959 868** | **3 093 745** |
| B | MP321 | Thaba Chweu | 233 841 | 244 747 | 255 788 |
| B | MP324 | Nkomazi | 864 636 | 890 463 | 930 823 |
| B | MP325 | Bushbuckridge | 1 151 556 | 1 183 178 | 1 236 813 |
| B | MP326 | City of Mbombela | 1 182 249 | 1 238 155 | 1 294 202 |
| C | DC32 | Ehlanzeni District Municipality | 309 567 | 317 820 | 332 213 |
| **Total: Ehlanzeni Municipalities** | | | **3 741 849** | **3 874 363** | **4 049 839** |
| | | | | | |
| **Total: Mpumalanga Municipalities** | | | **9 000 821** | **9 353 478** | **9 776 726** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **NORTHERN CAPE** | | | | | |
| B | NC061 | Richtersveld | 27 494 | 28 349 | 29 618 |
| B | NC062 | Nama Khoi | 70 976 | 74 211 | 77 546 |
| B | NC064 | Kamiesberg | 34 449 | 35 030 | 36 603 |
| B | NC065 | Hantam | 37 702 | 39 326 | 41 088 |
| B | NC066 | Karoo Hoogland | 35 879 | 37 040 | 38 701 |
| B | NC067 | Khâi-Ma | 29 846 | 30 690 | 32 065 |
| C | DC6 | Namakwa District Municipality | 60 495 | 62 479 | 65 307 |
| **Total: Namakwa Municipalities** | | | **296 841** | **307 125** | **320 928** |
| B | NC071 | Ubuntu | 53 718 | 55 080 | 57 561 |
| B | NC072 | Umsobomvu | 75 927 | 78 164 | 81 688 |
| B | NC073 | Emthanjeni | 66 014 | 68 584 | 71 668 |
| B | NC074 | Kareeberg | 38 265 | 39 006 | 40 759 |
| B | NC075 | Renosterberg | 36 674 | 37 458 | 39 143 |
| B | NC076 | Thembelihle | 38 960 | 39 871 | 41 662 |
| B | NC077 | Siyathemba | 49 712 | 51 220 | 53 525 |
| B | NC078 | Siyancuma | 68 310 | 70 453 | 73 626 |
| C | DC7 | Pixley Ka Seme District Municipality | 64 298 | 65 476 | 68 443 |
| **Total: Pixley Ka Seme Municipalities** | | | **491 878** | **505 312** | **528 075** |
| B | NC082 | !Kai !Garib | 134 467 | 141 097 | 147 456 |
| B | NC084 | !Kheis | 37 617 | 38 432 | 40 157 |
| B | NC085 | Tsantsabane | 61 881 | 64 676 | 67 585 |
| B | NC086 | Kgatelopele | 36 756 | 38 188 | 39 902 |
| B | NC087 | Dawid Kruiper | 132 416 | 139 518 | 145 784 |
| C | DC8 | Z.F. Mgcawu District Municipality | 85 135 | 87 546 | 91 510 |
| **Total: Z.F. Mgcawu Municipalities** | | | **488 272** | **509 457** | **532 394** |
| B | NC091 | Sol Plaatjie | 301 722 | 319 228 | 333 668 |
| B | NC092 | Dikgatlong | 126 626 | 130 021 | 135 893 |
| B | NC093 | Magareng | 66 283 | 67 668 | 70 720 |
| B | NC094 | Phokwane | 146 309 | 150 295 | 157 081 |
| C | DC9 | Frances Baard District Municipality | 143 719 | 149 126 | 155 873 |
| **Total: Frances Baard Municipalities** | | | **784 659** | **816 338** | **853 235** |
| B | NC451 | Joe Morolong | 194 285 | 197 698 | 206 627 |
| B | NC452 | Ga-Segonyana | 251 740 | 258 554 | 270 234 |
| B | NC453 | Gamagara | 70 911 | 75 228 | 78 608 |
| C | DC45 | John Taolo Gaetsewe District Municipality | 112 384 | 116 002 | 121 254 |
| **Total: John Taolo Gaetsewe Municipalities** | | | **629 320** | **647 482** | **676 723** |
| | | | | | |
| **Total: Northern Cape Municipalities** | | | **2 690 970** | **2 785 714** | **2 911 355** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **NORTH WEST** | | | | | |
| B | NW371 | Moretele | 479 741 | 490 420 | 512 589 |
| B | NW372 | Madibeng | 1 183 275 | 1 237 523 | 1 293 548 |
| B | NW373 | Rustenburg | 1 237 278 | 1 313 997 | 1 373 417 |
| B | NW374 | Kgetlengrivier | 144 387 | 150 212 | 156 996 |
| B | NW375 | Moses Kotane | 615 410 | 630 781 | 659 284 |
| C | DC37 | Bojanala Platinum District Municipality | 418 202 | 431 687 | 451 229 |
| **Total: Bojanala Platinum Municipalities** | | | **4 078 293** | **4 254 620** | **4 447 063** |
| B | NW381 | Ratlou | 168 617 | 168 031 | 175 624 |
| B | NW382 | Tswaing | 161 456 | 162 076 | 169 394 |
| B | NW383 | Mafikeng | 384 323 | 386 536 | 404 077 |
| B | NW384 | Ditsobotla | 188 959 | 191 216 | 199 888 |
| B | NW385 | Ramotshere Moiloa | 244 281 | 243 688 | 254 702 |
| C | DC38 | Ngaka Modiri Molema District Municipality | 1 178 333 | 1 251 331 | 1 307 925 |
| **Total: Ngaka Modiri Molema Municipalities** | | | **2 325 969** | **2 402 878** | **2 511 610** |
| B | NW392 | Naledi | 74 221 | 75 278 | 78 667 |
| B | NW393 | Mamusa | 76 360 | 76 645 | 80 103 |
| B | NW394 | Greater Taung | 255 808 | 254 050 | 265 525 |
| B | NW396 | Lekwa-Teemane | 69 843 | 70 454 | 73 631 |
| B | NW397 | Kagisano-Molopo | 160 479 | 159 588 | 166 797 |
| C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | 536 572 | 568 513 | 594 232 |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | | **1 173 283** | **1 204 528** | **1 258 955** |
| B | NW403 | City of Matlosana | 682 357 | 719 110 | 751 647 |
| B | NW404 | Maquassi Hills | 189 119 | 195 331 | 204 152 |
| B | NW405 | JB Marks | 438 648 | 463 132 | 484 084 |
| C | DC40 | Dr Kenneth Kaunda District Municipality | 225 076 | 233 146 | 243 695 |
| **Total: Dr Kenneth Kaunda Municipalities** | | | **1 535 200** | **1 610 719** | **1 683 578** |
| | | | | | |
| **Total: North West Municipalities** | | | **9 112 745** | **9 472 745** | **9 901 206** |

## SCHEDULE 3

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

| | | | National Financial Year | | |
|---|---|---|---|---|---|
| | | | Column A | Column B | |
| Number | | Municipality | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **WESTERN CAPE** | | | | | |
| A | CPT | City of Cape Town | 4 693 517 | 4 984 545 | 5 209 949 |
| B | WC011 | Matzikama | 87 329 | 92 419 | 96 577 |
| B | WC012 | Cederberg | 75 765 | 79 593 | 83 179 |
| B | WC013 | Bergrivier | 73 095 | 77 558 | 81 046 |
| B | WC014 | Saldanha Bay | 148 477 | 157 408 | 164 489 |
| B | WC015 | Swartland | 165 310 | 175 560 | 183 499 |
| C | DC1 | West Coast District Municipality | 112 557 | 116 191 | 121 450 |
| **Total: West Coast Municipalities** | | | **662 533** | **698 729** | **730 240** |
| B | WC022 | Witzenberg | 156 647 | 166 360 | 173 883 |
| B | WC023 | Drakenstein | 248 963 | 264 400 | 276 357 |
| B | WC024 | Stellenbosch | 231 793 | 246 166 | 257 298 |
| B | WC025 | Breede Valley | 187 489 | 199 115 | 208 119 |
| B | WC026 | Langeberg | 121 625 | 128 686 | 134 475 |
| C | DC2 | Cape Winelands District Municipality | 273 881 | 285 531 | 298 444 |
| **Total: Cape Winelands Municipalities** | | | **1 220 398** | **1 290 258** | **1 348 576** |
| B | WC031 | Theewaterskloof | 150 030 | 158 221 | 165 379 |
| B | WC032 | Overstrand | 179 268 | 188 717 | 197 218 |
| B | WC033 | Cape Agulhas | 45 807 | 48 275 | 50 443 |
| B | WC034 | Swellendam | 49 412 | 52 116 | 54 458 |
| C | DC3 | Overberg District Municipality | 88 359 | 90 667 | 94 774 |
| **Total: Overberg Municipalities** | | | **512 876** | **537 996** | **562 272** |
| B | WC041 | Kannaland | 38 962 | 40 378 | 42 196 |
| B | WC042 | Hessequa | 67 378 | 71 173 | 74 368 |
| B | WC043 | Mossel Bay | 148 459 | 156 434 | 163 471 |
| B | WC044 | George | 247 778 | 263 142 | 275 041 |
| B | WC045 | Oudtshoorn | 108 291 | 113 336 | 118 431 |
| B | WC047 | Bitou | 161 287 | 167 903 | 175 487 |
| B | WC048 | Knysna | 137 908 | 144 582 | 151 096 |
| C | DC4 | Garden Route District Municipality | 188 026 | 194 908 | 203 727 |
| **Total: Garden Route Municipalities** | | | **1 098 089** | **1 151 856** | **1 203 817** |
| B | WC051 | Laingsburg | 23 296 | 23 924 | 24 998 |
| B | WC052 | Prince Albert | 31 301 | 32 286 | 33 738 |
| B | WC053 | Beaufort West | 92 780 | 96 452 | 100 801 |
| C | DC5 | Central Karoo District Municipality | 39 084 | 39 585 | 41 389 |
| **Total: Central Karoo Municipalities** | | | **186 461** | **192 247** | **200 926** |
| | | | | | |
| **Total: Western Cape Municipalities** | | | **8 373 874** | **8 855 631** | **9 255 780** |
| | | | | | |
| **National Total** | | | **106 087 022** | **110 661 361** | **115 665 536** |

## 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 | |
|---|---|---|---|---|---|---|---|
| | | | | | 2025/26 | Forward Estimates | |
| | | | | | | 2026/27 | 2027/28 |
| | | | | | R'000 | R'000 | R'000 |
| **Basic Education (Vote 16)** | Education Infrastructure Grant | To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation; to address achievement of the targets set out in the minimum norms and standards for school infrastructure; to address damages to infrastructure; to enhance capacity to deliver infrastructure in education. | General conditional allocation to provinces | Eastern Cape | 1 926 636 | 1 922 951 | 2 009 997 |
| | | | | Free State | 1 050 500 | 1 004 095 | 1 048 684 |
| | | | | Gauteng | 2 368 000 | 1 863 534 | 1 946 885 |
| | | | | KwaZulu-Natal | 2 489 596 | 2 513 367 | 2 627 755 |
| | | | | Limpopo | 1 567 199 | 1 546 008 | 1 616 650 |
| | | | | Mpumalanga | 1 366 715 | 1 335 730 | 1 395 895 |
| | | | | Northern Cape | 746 991 | 685 789 | 716 137 |
| | | | | North West | 1 359 284 | 1 327 963 | 1 389 167 |
| | | | | Western Cape | 2 410 299 | 2 580 741 | 1 391 044 |
| | | | | Unallocated | - | 2 067 013 | 2 619 568 |
| | | | | **TOTAL** | **15 285 220** | **16 847 191** | **16 761 782** |
| **Health (Vote 18)** | National Tertiary Services Grant | Ensure the provision of tertiary health services in South Africa; to compensate tertiary facilities for the additional costs associated with the provision of these services. | General conditional allocation to provinces | Eastern Cape | 1 351 007 | 1 309 991 | 1 369 236 |
| | | | | Free State | 1 348 085 | 1 410 152 | 1 473 934 |
| | | | | Gauteng | 5 486 234 | 5 801 563 | 6 063 968 |
| | | | | KwaZulu-Natal | 2 289 556 | 2 374 066 | 2 481 444 |
| | | | | Limpopo | 581 731 | 550 142 | 575 026 |
| | | | | Mpumalanga | 286 661 | 289 388 | 302 477 |
| | | | | Northern Cape | 498 180 | 501 718 | 524 411 |
| | | | | North West | 486 212 | 412 369 | 431 023 |
| | | | | Western Cape | 3 667 255 | 3 877 986 | 4 053 392 |
| | | | | Unallocated | - | 216 162 | 225 937 |
| | | | | **TOTAL** | **15 994 921** | **16 743 537** | **17 500 848** |
| **Transport (Vote 40)** | (a) Provincial Roads Maintenance Grant | To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance); to ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the technical recommendations for highways, 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 unforeseen incidents including natural disasters; to improve road safety with a special focus on pedestrian safety in rural areas. | General conditional allocation to provinces | Eastern Cape | 2 184 984 | 1 569 448 | 1 640 607 |
| | | | | Free State | 2 089 737 | 1 468 441 | 1 535 020 |
| | | | | Gauteng | 1 573 564 | 746 556 | 780 406 |
| | | | | KwaZulu-Natal | 3 462 816 | 2 448 772 | 2 559 801 |
| | | | | Limpopo | 2 055 765 | 1 317 204 | 1 376 926 |
| | | | | Mpumalanga | 1 672 581 | 994 497 | 1 039 588 |
| | | | | Northern Cape | 1 562 610 | 1 169 108 | 1 222 116 |
| | | | | North West | 1 679 822 | 1 050 608 | 1 098 244 |
| | | | | Western Cape | 1 569 564 | 1 054 211 | 1 102 009 |
| | | | | Unallocated | - | 5 428 509 | 5 673 990 |
| | | | | **TOTAL** | **17 851 443** | **17 247 354** | **18 028 707** |
| | (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 | 322 110 | 336 867 | 352 100 |
| | | | | Free State | 356 119 | 372 434 | 389 276 |
| | | | | Gauteng | 3 112 386 | 3 254 977 | 3 402 169 |
| | | | | KwaZulu-Natal | 1 492 393 | 1 560 766 | 1 631 345 |
| | | | | Limpopo | 481 396 | 503 451 | 526 217 |
| | | | | Mpumalanga | 810 568 | 847 703 | 886 037 |
| | | | | Northern Cape | 72 472 | 75 793 | 79 221 |
| | | | | North West | 148 975 | 155 800 | 162 845 |
| | | | | Western Cape | 1 285 523 | 1 344 418 | 1 405 213 |
| | | | | **TOTAL** | **8 081 942** | **8 452 209** | **8 834 423** |

## 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 | |
|---|---|---|---|---|---|---|
| | | | | 2025/26 | Forward Estimates | |
| | | | | | 2026/27 | 2027/28 |
| | | | | R'000 | R'000 | R'000 |
| **Human Settlements (Vote 33)** | Urban Settlements Development Grant | To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development. | Buffalo City | 559 244 | 584 774 | 611 218 |
| | | | City of Cape Town | 1 088 294 | 1 137 976 | 1 189 436 |
| | | | City of Ekurhuleni | 1 445 207 | 1 511 183 | 1 579 519 |
| | | | City of Johannesburg | 2 320 638 | 2 573 613 | 1 753 809 |
| | | | City of Tshwane | 1 176 848 | 1 230 572 | 1 286 220 |
| | | | eThekwini | 1 441 639 | 1 507 452 | 1 575 620 |
| | | | Mangaung | 554 277 | 579 582 | 605 791 |
| | | | Nelson Mandela Bay | 663 817 | 694 121 | 725 509 |
| | | | **TOTAL** | **9 249 964** | **9 819 273** | **9 327 122** |
| **National Treasury (Vote 8)** | Urban Development Financing Grant | To promote spatially transformed cities with financially sustainable trading services that are able to meet their service delivery mandates; to support metropolitan municipalities with resilient infrastructure investment, including programme and project preparation to enable them to leverage additional concessionary and commercial loan finance to enhance sustainable infrastructure investment. | Buffalo City | 48 500 | 39 200 | 45 160 |
| | | | City of Cape Town | 182 100 | 129 200 | 112 191 |
| | | | City of Ekurhuleni | 182 011 | 120 819 | 124 200 |
| | | | City of Johannesburg | 140 208 | 694 847 | 641 335 |
| | | | City of Tshwane | 151 868 | 87 052 | 117 764 |
| | | | eThekwini | 221 753 | 218 697 | 219 313 |
| | | | Mangaung | 48 396 | 37 000 | 38 600 |
| | | | Nelson Mandela Bay | 48 800 | 38 606 | 44 537 |
| | | | **TOTAL** | **1 023 636** | **1 365 421** | **1 343 100** |

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|---|---|---|---|---|---|---|
| | | | | | 2025/26 | Forward Estimates | |
| | | | | | | 2026/27 | 2027/28 |
| | | | | | R'000 | R'000 | R'000 |
| **Agriculture (Vote 29)** | (a) Comprehensive Agricultural Support Programme Grant | To provide effective and coordinated agricultural support services through collaborations with industry transformation initiatives where possible; to promote and facilitate agricultural development by targeting beneficiaries of land reform and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export; to revitalise agricultural colleges into centres of excellence. | Conditional allocation | Eastern Cape | 247 590 | 250 470 | 263 749 |
| | | | | Free State | 194 909 | 199 832 | 210 567 |
| | | | | Gauteng | 111 615 | 122 953 | 129 231 |
| | | | | KwaZulu-Natal | 277 479 | 227 840 | 239 925 |
| | | | | Limpopo | 242 853 | 250 725 | 263 677 |
| | | | | Mpumalanga | 178 650 | 192 525 | 202 545 |
| | | | | Northern Cape | 185 227 | 189 085 | 195 896 |
| | | | | North West | 127 225 | 145 966 | 157 158 |
| | | | | Western Cape | 119 669 | 129 147 | 136 182 |
| | | | | **TOTAL** | **1 685 217** | **1 708 543** | **1 798 930** |
| | (b) 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 within strategically identified grain, livestock, horticulture and aquaculture production areas. | Conditional allocation | Eastern Cape | 84 557 | 88 447 | 92 447 |
| | | | | Free State | 81 195 | 85 031 | 88 876 |
| | | | | Gauteng | 41 609 | 45 523 | 50 582 |
| | | | | KwaZulu-Natal | 83 692 | 87 542 | 91 500 |
| | | | | Limpopo | 83 584 | 87 484 | 91 440 |
| | | | | Mpumalanga | 78 222 | 81 922 | 85 627 |
| | | | | Northern Cape | 78 219 | 81 819 | 85 519 |
| | | | | North West | 80 863 | 82 208 | 84 925 |
| | | | | Western Cape | 65 455 | 68 455 | 69 550 |
| | | | | **TOTAL** | **677 396** | **708 431** | **740 466** |
| | (c) LandCare 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 | 14 073 | 14 718 | 15 385 |
| | | | | Free State | 9 751 | 10 198 | 10 659 |
| | | | | Gauteng | 5 758 | 6 022 | 6 294 |
| | | | | KwaZulu-Natal | 14 760 | 15 436 | 16 134 |
| | | | | Limpopo | 14 287 | 14 942 | 15 617 |
| | | | | Mpumalanga | 10 341 | 10 815 | 11 304 |
| | | | | Northern Cape | 8 575 | 8 968 | 9 373 |
| | | | | North West | 9 872 | 10 324 | 10 791 |
| | | | | Western Cape | 6 839 | 7 152 | 7 475 |
| | | | | **TOTAL** | **94 256** | **98 575** | **103 032** |

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|---|---|---|---|---|---|---|
| | | | | | 2025/26 | Forward Estimates | |
| | | | | | | 2026/27 | 2027/28 |
| | | | | | R'000 | R'000 | R'000 |
| **Basic Education (Vote 16)** | (a) Early Childhood Development Grant | To increase the number of poor children accessing subsidised early childhood development programmes; to support early childhood development providers delivering an early childhood development programme to meet basic health and safety requirements for registration; to construct low-cost early childhood development centres. | General conditional allocation to provinces | Eastern Cape | 330 004 | 358 239 | 375 180 |
| | | | | Free State | 96 038 | 106 433 | 111 516 |
| | | | | Gauteng | 399 129 | 436 526 | 457 403 |
| | | | | KwaZulu-Natal | 308 627 | 342 033 | 358 648 |
| | | | | Limpopo | 295 968 | 324 560 | 340 106 |
| | | | | Mpumalanga | 152 262 | 166 379 | 174 250 |
| | | | | Northern Cape | 35 593 | 39 783 | 41 625 |
| | | | | North West | 173 858 | 186 594 | 195 220 |
| | | | | Western Cape | 155 053 | 175 154 | 183 809 |
| | | | | **TOTAL** | **1 946 532** | **2 135 701** | **2 237 757** |
| | (b) HIV and AIDS (Life Skills Education) Grant | To support South Africa's HIV prevention strategy by; providing comprehensive sexuality education and access to sexual and reproductive health services to learners; supporting the provision of employee health and wellness programmes for educators; to mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners, educators and school support staff; to reduce the vulnerability of children to HIV, TB and sexually transmitted infections, with a particular focus on orphaned children and girls. | Conditional allocation | Eastern Cape | 48 109 | 50 310 | 52 574 |
| | | | | Free State | 11 640 | 12 170 | 12 718 |
| | | | | Gauteng | 38 696 | 40 468 | 42 289 |
| | | | | KwaZulu-Natal | 69 280 | 72 416 | 75 676 |
| | | | | Limpopo | 29 504 | 30 847 | 32 236 |
| | | | | Mpumalanga | 19 845 | 20 755 | 21 689 |
| | | | | Northern Cape | 7 770 | 8 126 | 8 552 |
| | | | | North West | 16 976 | 17 752 | 18 550 |
| | | | | Western Cape | 19 883 | 20 788 | 21 724 |
| | | | | **TOTAL** | **261 703** | **273 632** | **286 008** |
| | (c) Learners with Profound Intellectual Disabilities Grant | To provide the necessary support, resources and equipment to identified special care centres and schools for the provision of education to children with severe to profound intellectual disabilities. | Conditional allocation | Eastern Cape | 32 511 | 33 990 | 35 422 |
| | | | | Free State | 33 993 | 35 542 | 36 626 |
| | | | | Gauteng | 39 627 | 41 427 | 43 183 |
| | | | | KwaZulu-Natal | 38 431 | 40 173 | 42 107 |
| | | | | Limpopo | 37 898 | 39 615 | 41 876 |
| | | | | Mpumalanga | 34 482 | 36 048 | 37 246 |
| | | | | Northern Cape | 17 637 | 18 443 | 19 571 |
| | | | | North West | 22 858 | 23 899 | 25 556 |
| | | | | Western Cape | 35 605 | 37 220 | 38 626 |
| | | | | **TOTAL** | **293 042** | **306 357** | **320 213** |
| | (d) Maths, Science and Technology Grant | To provide support and resources to schools, teachers and learners in line with the Curriculum Assessment Policy Statements for the improvement of mathematics, science and technology teaching and learning at selected public schools. | Conditional allocation | Eastern Cape | 57 180 | 59 798 | 62 502 |
| | | | | Free State | 51 189 | 53 532 | 55 953 |
| | | | | Gauteng | 64 491 | 67 445 | 70 495 |
| | | | | KwaZulu-Natal | 74 445 | 77 854 | 81 373 |
| | | | | Limpopo | 52 584 | 54 993 | 57 480 |
| | | | | Mpumalanga | 46 386 | 48 512 | 50 706 |
| | | | | Northern Cape | 29 447 | 30 799 | 32 192 |
| | | | | North West | 44 054 | 46 072 | 48 155 |
| | | | | Western Cape | 39 346 | 41 146 | 43 008 |
| | | | | **TOTAL** | **459 122** | **480 151** | **501 864** |
| | (e) National School Nutrition Programme Grant | To provide nutritious meals to targeted schools. | Conditional allocation | Eastern Cape | 1 828 175 | 1 884 582 | 1 969 766 |
| | | | | Free State | 592 500 | 610 788 | 638 396 |
| | | | | Gauteng | 1 213 637 | 1 251 086 | 1 307 635 |
| | | | | KwaZulu-Natal | 2 335 101 | 2 406 973 | 2 515 997 |
| | | | | Limpopo | 1 847 963 | 1 904 970 | 1 991 076 |
| | | | | Mpumalanga | 982 451 | 1 012 775 | 1 058 553 |
| | | | | Northern Cape | 274 106 | 282 557 | 295 329 |
| | | | | North West | 693 678 | 712 853 | 745 074 |
| | | | | Western Cape | 551 103 | 568 103 | 593 781 |
| | | | | Unallocated | - | 156 418 | 163 488 |
| | | | | **TOTAL** | **10 318 714** | **10 791 105** | **11 279 095** |

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|---|---|---|---|---|---|---|
| | | | | | 2025/26 | Forward Estimates | |
| | | | | | | 2026/27 | 2027/28 |
| | | | | | R'000 | R'000 | R'000 |
| **Health (Vote 18)** | (a) District Health Programmes Grant | To enable the health sector to develop and implement an effective response to HIV/AIDS; to enable the health sector to develop and implement an effective response to tuberculosis; to ensure provision of quality community outreach services through Ward Based Primary Health Care Outreach Teams; to improve efficiencies of the Ward Based Primary Health Care Outreach Teams programme by harmonising and standardising services and strengthening performance monitoring; to enable the health sector to develop and implement an effective response to support the effective implementation of the National Strategic Plan on Malaria Elimination; to enable the health sector to prevent cervical cancer by making available Human Papillomavirus vaccinations for all eligible girls aged 9-14 years with a single dose of Human Papillomavirus vaccine in all settings. | Conditional allocation | Eastern Cape | 3 110 225 | 3 253 178 | 3 400 306 |
| | | | | Free State | 1 698 705 | 1 776 896 | 1 857 267 |
| | | | | Gauteng | 6 097 851 | 6 378 266 | 6 666 739 |
| | | | | KwaZulu-Natal | 7 466 119 | 7 809 680 | 8 162 912 |
| | | | | Limpopo | 2 542 523 | 2 659 501 | 2 779 784 |
| | | | | Mpumalanga | 2 612 272 | 2 732 440 | 2 856 024 |
| | | | | Northern Cape | 759 857 | 794 840 | 830 792 |
| | | | | North West | 1 891 857 | 1 978 908 | 2 068 410 |
| | | | | Western Cape | 2 159 495 | 2 258 795 | 2 360 954 |
| | | | | **TOTAL** | **28 338 904** | **29 642 504** | **30 983 188** |
| | (b) Health Facility Revitalisation Grant | To help to accelerate maintenance, renovations, upgrades, additions, and construction of infrastructure in health; to help on replacement and commissioning of health technology in existing and revitalised health facilities; to enhance capacity to deliver health infrastructure; to accelerate the fulfilment of the requirements of occupational health and safety. | Conditional allocation | Eastern Cape | 775 953 | 731 947 | 765 047 |
| | | | | Free State | 599 815 | 627 432 | 655 806 |
| | | | | Gauteng | 1 145 574 | 1 118 565 | 1 169 148 |
| | | | | KwaZulu-Natal | 1 517 920 | 1 508 044 | 1 576 239 |
| | | | | Limpopo | 622 342 | 571 262 | 597 096 |
| | | | | Mpumalanga | 474 122 | 416 228 | 435 051 |
| | | | | Northern Cape | 527 929 | 472 507 | 493 875 |
| | | | | North West | 687 605 | 639 530 | 668 451 |
| | | | | Western Cape | 894 445 | 855 894 | 1 189 599 |
| | | | | Unallocated | - | 636 379 | 665 156 |
| | | | | **TOTAL** | **7 245 705** | **7 577 788** | **8 215 468** |
| | (c) Human Resources and Training Grant | To appoint statutory positions in the health sector for systematic realisation of the human resources for health strategy and the phase-in of National Health Insurance; support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform. | Conditional allocation | Eastern Cape | 596 426 | 613 899 | 641 671 |
| | | | | Free State | 291 291 | 304 772 | 318 560 |
| | | | | Gauteng | 1 918 791 | 2 007 484 | 2 098 299 |
| | | | | KwaZulu-Natal | 788 597 | 825 091 | 862 419 |
| | | | | Limpopo | 378 833 | 390 479 | 408 145 |
| | | | | Mpumalanga | 286 454 | 294 883 | 308 223 |
| | | | | Northern Cape | 156 271 | 159 605 | 166 826 |
| | | | | North West | 281 678 | 289 412 | 302 504 |
| | | | | Western Cape | 951 596 | 995 628 | 1 040 670 |
| | | | | Unallocated | - | 30 004 | 31 361 |
| | | | | **TOTAL** | **5 649 937** | **5 911 257** | **6 178 678** |
| | (d) National Health Insurance Grant | To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers. | Nationally assigned function to provinces | Eastern Cape | 64 899 | 65 769 | 68 748 |
| | | | | Free State | 29 778 | 30 323 | 31 695 |
| | | | | Gauteng | 96 985 | 99 348 | 103 840 |
| | | | | KwaZulu-Natal | 89 818 | 91 831 | 95 984 |
| | | | | Limpopo | 53 727 | 54 840 | 57 324 |
| | | | | Mpumalanga | 35 145 | 35 954 | 37 580 |
| | | | | Northern Cape | 24 696 | 25 012 | 26 143 |
| | | | | North West | 33 739 | 34 120 | 35 663 |
| | | | | Western Cape | 37 893 | 38 763 | 40 516 |
| | | | | **TOTAL** | **466 680** | **475 960** | **497 493** |

## SCHEDULE 5, PART A

## SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

| Vote | Name of allocation | Purpose | Type of allocation | Province | Column A | Column B | |
|---|---|---|---|---|---|---|---|
| | | | | | 2025/26 | Forward Estimates | |
| | | | | | | 2026/27 | 2027/28 |
| | | | | | R'000 | R'000 | R'000 |
| **Human Settlements (Vote 33)** | (a) Human Settlements Development Grant | To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements. | Conditional allocation | Eastern Cape | 1 572 985 | 1 593 320 | 1 665 372 |
| | | | | Free State | 829 366 | 840 088 | 878 077 |
| | | | | Gauteng | 4 034 701 | 4 086 865 | 4 271 675 |
| | | | | KwaZulu-Natal | 2 599 445 | 2 633 105 | 2 752 176 |
| | | | | Limpopo | 925 163 | 937 124 | 979 501 |
| | | | | Mpumalanga | 942 978 | 955 168 | 998 362 |
| | | | | Northern Cape | 279 033 | 282 641 | 295 422 |
| | | | | North West | 1 302 346 | 1 319 183 | 1 378 838 |
| | | | | Western Cape | 1 663 926 | 1 685 438 | 1 761 655 |
| | | | | **TOTAL** | **14 149 943** | **14 332 932** | **14 981 078** |
| | (b) Informal Settlements Upgrading Partnership Grant: Provinces | To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements. | Conditional allocation | Eastern Cape | 307 920 | 103 374 | 108 049 |
| | | | | Free State | 162 353 | 54 505 | 56 969 |
| | | | | Gauteng | 789 815 | 265 155 | 277 144 |
| | | | | KwaZulu-Natal | 508 883 | 170 985 | 178 718 |
| | | | | Limpopo | 181 106 | 60 800 | 63 550 |
| | | | | Mpumalanga | 184 593 | 61 971 | 64 773 |
| | | | | Northern Cape | 54 623 | 18 338 | 19 167 |
| | | | | North West | 254 942 | 85 588 | 89 459 |
| | | | | Western Cape | 325 722 | 109 350 | 114 296 |
| | | | | **TOTAL** | **2 769 957** | **930 066** | **972 125** |
| **Public Works and Infrastructure (Vote 13)** | 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 including but not limited to block paving and pothole patching; maintenance of buildings; low traffic volume roads and rural roads; other economic and social infrastructure; tourism and cultural industries; sustainable land based livelihoods; waste management and cleaning services; social services programmes and energy including but not limited to retro-fitting, solar. | Conditional allocation | Eastern Cape | 118 377 | - | - |
| | | | | Free State | 37 025 | - | - |
| | | | | Gauteng | 76 282 | - | - |
| | | | | KwaZulu-Natal | 147 019 | - | - |
| | | | | Limpopo | 75 361 | - | - |
| | | | | Mpumalanga | 42 568 | - | - |
| | | | | Northern Cape | 32 169 | - | - |
| | | | | North West | 54 708 | - | - |
| | | | | Western Cape | 43 703 | - | - |
| | | | | Unallocated | - | 656 000 | 685 669 |
| | | | | **TOTAL** | **627 212** | **656 000** | **685 669** |
| **Sport, Arts and Culture (Vote 37)** | (a) 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 | 187 261 | 195 804 | 204 873 |
| | | | | Free State | 188 126 | 200 757 | 208 061 |
| | | | | Gauteng | 184 727 | 191 054 | 200 098 |
| | | | | KwaZulu-Natal | 197 862 | 207 346 | 216 161 |
| | | | | Limpopo | 161 431 | 168 876 | 176 870 |
| | | | | Mpumalanga | 179 385 | 187 199 | 196 060 |
| | | | | Northern Cape | 187 737 | 194 398 | 203 400 |
| | | | | North West | 160 181 | 167 940 | 176 850 |
| | | | | Western Cape | 202 279 | 211 316 | 220 319 |
| | | | | **TOTAL** | **1 648 989** | **1 724 690** | **1 802 692** |
| | (b) Mass Participation and Sport | To facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders. | Conditional allocation | Eastern Cape | 75 137 | 81 400 | 85 227 |
| | | | | Free State | 48 583 | 46 164 | 47 794 |
| | | | | Gauteng | 120 265 | 119 392 | 125 710 |
| | | | | KwaZulu-Natal | 114 343 | 112 678 | 118 642 |
| | | | | Limpopo | 68 893 | 75 705 | 79 176 |
| | | | | Mpumalanga | 53 667 | 59 499 | 61 962 |
| | | | | Northern Cape | 34 079 | 37 856 | 38 657 |
| | | | | North West | 49 219 | 54 291 | 56 428 |
| | | | | Western Cape | 63 058 | 69 020 | 72 075 |
| | | | | **TOTAL** | **627 244** | **656 005** | **685 671** |

## SCHEDULE 5, PART B

## SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

| Vote | Name of allocation | Purpose | Column A | Column B | |
|---|---|---|---|---|---|
| | | | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| **RECURRENT GRANTS** | | | **R'000** | **R'000** | **R'000** |
| **National Treasury (Vote 8)** | (a) Infrastructure Skills Development Grant | To recruit unemployed graduates into municipalities to be trained and professionally registered as per the requirements of the relevant statutory councils within the built environment. | 172 774 | 180 688 | 188 859 |
| | (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. | 589 685 | 616 701 | 644 589 |
| **Public Works and Infrastructure (Vote 13)** | 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 including but not limited to block paving and pothole patching; maintenance of buildings; low traffic volume roads and rural roads; basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure); other economic and social infrastructure; tourism and cultural industries; waste management and cleaning services; parks and beautification; sustainable land-based livelihoods, social services programmes, energy including but not limited to retro-fitting, solar. | 567 281 | 593 271 | 620 099 |
| | | **TOTAL** | **1 329 740** | **1 390 660** | **1 453 547** |

## SCHEDULE 5, PART B

## SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

| Vote | Name of allocation | Purpose | Column A | Column B | |
|---|---|---|---|---|---|
| | | | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| INFRASTRUCTURE GRANTS | | | R'000 | R'000 | R'000 |
| **Cooperative Governance (Vote 3)** | (a) Integrated Urban Development Grant | To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure; to ensure that public investments are spatially aligned and to promote the sound management of the assets delivered. | 1 278 114 | 1 386 347 | 1 449 114 |
| | (b) Municipal Disaster Recovery Grant | To rehabilitate and reconstruct municipal infrastructure damaged by a disaster. | 708 974 | - | - |
| | (c) Municipal Infrastructure Grant | To provide specific capital finance for eradicating basic municipal infrastructure backlogs through the construction of new infrastructure, and the renewal and refurbishment of existing infrastructure for poor households, microenterprises, and social institutions servicing poor communities; to provide specific funding for the development of asset management plans for infrastructure servicing the poor. | 17 357 571 | 19 361 001 | 20 236 442 |
| **Human Settlements (Vote 33)** | Informal Settlements Upgrading Partnership Grant: Municipalities | To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements. | 4 717 475 | 4 933 602 | 5 156 703 |
| **Electricity and Energy (Vote 10)** | (a) 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. | 246 260 | 257 542 | 269 188 |
| | (b) Integrated National Electrification Programme (Municipal) Grant | To implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to increase access to electricity, existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure. | 1 697 076 | 1 654 605 | 1 729 427 |
| **National Treasury (Vote 8)** | Neighbourhood Development Partnership Grant | To plan, catalyse, and invest in targeted locations to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, townships and rural towns in metro and non-metro municipalities; to support the targeted municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation as well as facilitate long term programmes/ projects that will attract private investment and assist non-metro municipalities to enhance revenues. | 542 397 | 430 177 | 449 629 |
| **Transport (Vote 40)** | (a) Public Transport Network Grant | To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that forms part of a municipal integrated public transport network; to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services. | 7 241 074 | 8 044 281 | 7 098 853 |
| | (b) Rural Roads Asset Management Systems Grant | To assist district municipalities to set up rural roads asset management systems, and collect road, bridges and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa. | 126 051 | 131 826 | 137 787 |
| **Water and Sanitation (Vote 41)** | (a) Regional Bulk Infrastructure Grant | To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance 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 implement bulk infrastructure with a potential of addressing water conservation and water demand management projects or facilitate and contribute to the implementation of local water conservation and water demand management projects that will directly impact on bulk infrastructure requirements. | 3 756 930 | 3 230 325 | 3 026 045 |
| | (b) Water Services Infrastructure Grant | Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development; support municipalities with refurbishment of water and sanitation infrastructure, including upgrades; support municipalities in implementing water conservation and water demand management projects; support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas; support drought relief projects in affected municipalities. | 4 218 561 | 4 411 831 | 4 611 337 |
| | | **TOTAL** | **41 890 483** | **43 841 537** | **44 164 525** |

## SCHEDULE 6, PART A

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

| Vote | Name of allocation | Purpose | Column A | Column B | |
|---|---|---|---|---|---|
| | | | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **Basic Education (Vote 16)** | School Infrastructure Backlogs Grant | Eradication and upgrading of inappropriate school buildings; provision and upgrading of water and sanitation to schools; provision and upgrading of classrooms to address overcrowding. | 1 626 680 | 450 000 | - |
| **Health (Vote 18)** | National Health Insurance Indirect Grant | To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance; to enhance capacity and capability to deliver infrastructure for National Health Insurance; to accelerate the fulfilment of the requirements of occupational health and safety; to implement the centralised models for the dispensing and distribution of chronic medication; develop and roll-out new health information systems in preparation for National Health Insurance; enable the health sector to address the deficiencies in the primary health care facilities systematically through the implementation of the ideal clinic programme; to expand the healthcare service benefits through the strategic purchasing of services from healthcare providers. | 3 282 554 | 2 573 525 | 2 623 999 |
| | | **TOTAL** | **4 909 234** | **3 023 525** | **2 623 999** |

## SCHEDULE 6, PART B

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

| Vote | Name of allocation | Purpose | Column A | Column B | |
|---|---|---|---|---|---|
| | | | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| | | | R'000 | R'000 | R'000 |
| **Cooperative Governance (Vote 3)** | Municipal Infrastructure Grant | To provide specific capital finance for eradicating basic municipal infrastructure backlogs through the construction of new infrastructure, and the renewal and refurbishment of existing infrastructure for poor households, microenterprises, and social institutions servicing poor communities; to provide specific funding for the development of asset management plans for infrastructure servicing the poor. | 493 807 | - | - |
| **Electricity and Energy (Vote 10)** | Integrated National Electrification Programme (Eskom) Grant | To implement the Integrated National Electrification Programme by providing capital subsidies to Eskom to increase access to electricity, existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure in Eskom licenced areas. | 2 274 401 | 2 389 517 | 2 498 025 |
| **National Treasury (Vote 8)** | (a) Neighbourhood Development Partnership Grant (Technical Assistance) | To plan, catalyse, and invest in targeted locations to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, townships and rural towns in metro and non-metro municipalities; to support the targeted municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation as well as facilitate long term programmes/ projects that will attract private investment and assist non-metro municipalities to enhance revenues. | 99 140 | 103 683 | 108 372 |
| | (b) Smart Meters Grant | To enable municipalities to implement bi-directional smart metering systems and smart solutions. | 650 000 | 800 000 | 836 176 |
| **Water and Sanitation (Vote 41)** | (a) Regional Bulk Infrastructure Grant | To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance 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 implement bulk infrastructure with a potential of addressing water conservation and water demand management projects or facilitate and contribute to the implementation of local water conservation and water demand management projects that will directly impact on bulk infrastructure requirements. | 3 226 507 | 3 231 507 | 3 377 638 |
| | (b) Water Services Infrastructure Grant | Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development; support municipalities with refurbishment of water and sanitation infrastructure, including upgrades; support municipalities in implementing water conservation and water demand management projects; support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas, support drought relief projects in affected municipalities. | 1 118 932 | 1 341 256 | 1 401 908 |
| | | **TOTAL** | **7 862 787** | **7 865 963** | **8 222 119** |

## SCHEDULE 7, PART A

## UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

| Vote | Name of allocation | Purpose | Column A | Column B | |
|---|---|---|---|---|---|
| | | | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| **Cooperative Governance (Vote 3)** | Provincial Disaster Response Grant | To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act. | **R'000** 151 259 | **R'000** 158 189 | **R'000** 165 342 |
| | | **TOTAL** | **151 259** | **158 189** | **165 342** |

## SCHEDULE 7, PART B

## UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

| Vote | Name of allocation | Purpose | Column A | Column B | |
|---|---|---|---|---|---|
| | | | 2025/26 | Forward Estimates | |
| | | | | 2026/27 | 2027/28 |
| **Cooperative Governance (Vote 3)** | Municipal Disaster Response Grant | To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act. | **R'000** 395 054 | **R'000** 413 153 | **R'000** 431 836 |
| | | **TOTAL** | **395 054** | **413 153** | **431 836** |

# MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2025

## 1. BACKGROUND

1.1 Section 214(1) of the Constitution of the Republic of South Africa, 1996 (''the Constitution''), requires that an Act of Parliament must 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 for any conditions on which those allocations may be made.

1.2 Section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), requires that, as part of the process of the enactment of the Act of Parliament referred to in paragraph 1.1, each year when the annual budget is introduced, the Minister of Finance must introduce in the National Assembly a Division of Revenue Bill (''the Bill'') for the financial year to which that budget relates.

1.3 The Intergovernmental Fiscal Relations Act, 1997, requires that the Bill be accompanied by a memorandum explaining—
*(a)* how the Bill takes account of each of the matters listed in section 214(2)(a) to (j) of the Constitution;
*(b)* the extent to which account was taken of any recommendations of the Financial and Fiscal Commission (''the FFC'') that were submitted to the Minister of Finance or were raised during consultations with the FFC; and
*(c)* any assumptions or formulae used in arriving at the respective shares of the three spheres of government and the division of the provincial share between the nine provinces.

1.4 In terms of section 7(4) of the Money Bills and Related Matters Act, 2009 (Act No. 9 of 2009), when tabling the budget, a report must also be tabled that responds to the recommendations made in the reports by the Parliamentary Committees on Finance on the proposed fiscal framework in the Medium Term Budget Policy Statement and the reports by the Committees on Appropriations regarding the proposed division of revenue and the conditional grant allocations to provinces and local government as contained in the Medium Term Budget Policy Statement. The report must explain how the Bill and the national budget give effect to, or the reasons for not taking into account, the recommendations contained in the Committee reports.

1.5 The memorandum referred to in paragraph 1.3 is attached to this Memorandum and will also be attached as ''Annexure W1'' to the Budget Review, and the report referred to in paragraph 1.4 will be tabled with the budget.

1.6 The Bill is introduced in compliance with the Constitution, the Intergovernmental Fiscal Relations Act, 1997, and the Money Bills and Related Matters Act, 2009, as set out in paragraphs 1.1 to 1.4.

1.7 The allocations contemplated in section 214(1) of the Constitution are set out in the following Schedules to the Bill:
- *Schedule 1* contains the equitable shares of the three spheres of government;
- *Schedule 2* sets out provincial equitable share allocations;
- *Schedule 3* sets out local government equitable share allocations per municipality;
- *Schedules 4 to 7* deal with grant allocations for provinces and municipalities, including allocations to supplement funding of functions funded from provincial and municipal budgets, specific purpose allocations,

allocations-in-kind (indirect transfers to provinces and local government) and the release of funds to provinces and municipalities for immediate response to a disaster.

## 2. SUMMARY OF BILL

The following is a brief summary of the Bill:

- *Clause 1* contains definitions;
- *Clause 2* sets out the objects of the Bill, which are to provide for the equitable division of revenue raised nationally among the three spheres of government and to promote predictability and certainty in respect of allocations to provinces and municipalities as well as transparency and accountability in the resource allocation process;
- *Clause 3* provides for the equitable division of anticipated revenue raised nationally among the national, provincial and local spheres of government, which is set out in Schedule 1;
- *Clause 4* provides for each province's equitable share, which is set out in Schedule 2, and must be transferred in terms of a payment schedule;
- *Clause 5* provides for each municipality's equitable share, which is set out in Schedule 3, and must be transferred on the dates specified in this clause, in amounts as determined in terms of clause 22(2);
- *Clause 6* determines what must happen if actual revenue raised falls short or is in excess of anticipated revenue for the 2025/26 financial year, and allows for additional conditional and unconditional allocations to be made from the excess revenue as well as an increase of the equitable share of provinces or municipalities;
- *Clause 7* provides for conditional allocations or an increase of conditional allocations to provinces in Part A of Schedules 4 to 7;
- *Clause 8* provides for conditional allocations or an increase of conditional allocations to municipalities in Part B of Schedules 4 to 7;
- *Clauses 9 and 10* set out the duties of a transferring national officer in respect of Schedules 4, 5 and 6 allocations;
- *Clauses 11 and 12* set out the duties of a receiving officer in respect of Schedules 4, 5 and 7 allocations;
- *Clause 13* sets out the additional duties of a receiving officer in respect of infrastructure conditional allocations to provinces;
- *Clause 14* prescribes the duties in respect of annual financial statements and annual reports for the 2025/26 financial year;
- *Clause 15* requires the publication of certain allocations and all conditional grant frameworks in the Government *Gazette*;
- *Clause 16* requires that spending must only be in accordance with the purpose and subject to the conditions set out in the grant frameworks for Schedules 4 to 7 allocations, and sets out funding related arrangements if a function partially or fully funded by a conditional grant is assigned by a province to a municipality;
- *Clauses 17 and 18* provide for the withholding and stopping of allocations;
- *Clause 19* provides for the reallocation of funds;
- *Clause 20* provides for the conversion of certain allocations in order to prevent under-spending on the allocation or if the affected national or provincial department has demonstrated the capacity to implement projects;
- *Clause 21* provides for the management of unspent conditional allocations;
- *Clauses 22 and 23* provide for payment schedules and their amendment;
- *Clause 24* provides for the recovery of any allocation transferred in error or fraudulently;
- *Clause 25* provides for new allocations during the 2025/26 financial year and the use of funds allocated in Schedule 7;
- *Clause 26* provides for preparations for the 2026/27 and 2027/28 financial years;
- *Clause 27* deals with transfers before the commencement of the Division of Revenue Act for the 2026/27 financial year and the conditions attached to such transfers;
- *Clause 28* sets out the duties of municipalities;
- *Clause 29* sets out the duties and powers of provincial treasuries;

- *Clause 30* sets out the duties and powers of the National Treasury;
- *Clauses 31 to 36* provide for general matters such as liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations, irregular expenditure, financial misconduct, delegations and assignments, departures, and the power of the Minister of Finance to make regulations;
- *Clause 37* provides for the repeal of laws; and
- *Clause 38* provides for the short title and commencement.

## 3. ORGANISATIONS AND INSTITUTIONS CONSULTED

The following institutions were consulted on the Bill:
- Financial and Fiscal Commission;
- South African Local Government Association; and
- National and provincial departments.

## 4. FINANCIAL IMPLICATIONS TO THE STATE

The Bill outlines the division of revenue between the three spheres of government, and the financial implications to government are limited to the total transfers to provinces and local government as indicated in the Schedules to the Bill.

## 5. CONSTITUTIONAL IMPLICATIONS

The Bill gives effect to section 214 of the Constitution.

## 6. PARLIAMENTARY PROCEDURE

6.1 The Constitution prescribes the classification of Bills and thus prescribes the different procedures to be followed for such enactment. The national legislative process is governed by sections 73 to 77 of the Constitution.

6.2 The State Law Advisers and the National Treasury have considered the Bill against the provisions of the Constitution relating to the tagging of Bills, and against the functional areas listed in Schedule 4 (functional areas of concurrent national and provincial legislative competence) and Schedule 5 (functional areas of exclusive provincial legislative competence) to the Constitution.

6.3 For purposes of tagging, in the case of *Tongoane and Others v Minister for Agriculture and Land Affairs and Others 2010 (6) SA 214 (CC)*, the Constitutional Court ruled on the test to be used when tagging a Bill. The Constitutional Court held, in paragraph 70, that the ''test for determining how a Bill is to be tagged must be broader than that for determining legislative competence''.

6.4 In terms of section 76(3) of the Constitution, a Bill must be dealt with in accordance with the procedure established by either subsection (1) or subsection (2) if it falls within a functional area listed in Schedule 4 to the Constitution. Furthermore, in terms of section 76(4)(b) of the Constitution, a Bill must be dealt with in accordance with the procedure established by section 76(1) of the Constitution, if it provides for legislation envisaged in Chapter 13 of the Constitution and includes provisions affecting the financial interests of the provincial sphere of government.

6.5 The issue that needs to be determined is whether the proposed amendments as contained in the Bill, in substantial measure, fall within a functional area listed in Schedule 4 to the Constitution, or whether the proposed amendments fall under section 76(4)(b) of the Constitution.

6.6 The provisions of the Bill have been carefully examined, and in our view, they amount to legislation envisaged in Chapter 13 of the Constitution. Furthermore, the Bill includes provisions affecting the financial interests of the

provincial sphere of government as contemplated in section 76(4)(b) of the Constitution. We are therefore of the opinion that the Bill must be dealt with in accordance with the procedure envisaged by section 76 of the Constitution.

6.7 The State Law Advisers and the National Treasury are of the opinion that it is not necessary to refer this Bill to the National House of Traditional and Khoi-San Leaders in terms of section 39(1)*(a)* of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019), since it does not contain provisions that directly affect traditional or Khoi-San communities or pertain to customary law or the customs of traditional or Khoi-San communities.

# DIVISION OF REVENUE ATTACHMENTS

*Page*


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## BACKGROUND

Section 214(1) of the Constitution requires that the nationally raised revenue be divided equitably between national government, the nine provinces and 257 municipalities. This is outlined in the annual Division of Revenue Act. The division of revenue takes into account the powers and functions assigned to each sphere; fosters transparency, predictability and stability; and is at the heart of constitutional cooperative governance.

The principles underpinning the equitable sharing and allocation of nationally raised revenue are prescribed in the Intergovernmental Fiscal Relations Act (1997). Sections 9 and 10(4) of the act set out the consultation process to be followed with the Financial and Fiscal Commission (FFC), including considering recommendations made regarding the division of revenue.

This explanatory memorandum to the 2025 Division of Revenue Bill fulfils the requirement set out in section 10(5) of the Intergovernmental Fiscal Relations Act that the bill be accompanied by an explanatory memorandum detailing how the bill takes account of each of the matters listed in section 214(a) to (j) of the Constitution; government's response to the FFC's recommendations submitted to the minister in terms of section 9 of the act or as a result of consultations with the FFC; and any assumptions and formulas used in arriving at the respective shares. Moreover, this memorandum complements the discussion on the division of revenue in Chapter 6 of the *Budget Review*. It has six sections:

- Part 1 lists the factors that inform the division of resources between national, provincial and local government.
- Part 2 describes the 2025 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2025 division of revenue have been taken into account.
- Part 4 explains the formula and criteria for dividing the provincial equitable share and conditional grants among provinces.
- Part 5 sets out the formula and criteria for dividing the local government equitable share and conditional grants among municipalities.
- Part 6 summarises issues that will form part of subsequent reviews of provincial and local government fiscal frameworks.

The Division of Revenue Bill and its underlying allocations are the result of extensive consultations between national, provincial and local government. The Budget Council deliberated on the matters discussed in this memorandum at several meetings during the year. The approach to local government allocations was discussed with organised local government at technical meetings with the South African Local Government Association (SALGA) and the Department of Cooperative Governance, culminating in meetings of the Budget Forum (made up of the Budget Council, SALGA and the Minister of Cooperative Governance and Traditional Affairs). The division of revenue, along with the government

priorities that underpin it, was agreed for the next three years at a Cabinet meeting on 5 February 2025.

## PART 1: CONSTITUTIONAL CONSIDERATIONS

Section 214 of the Constitution requires that the annual Division of Revenue Act be enacted after 10 key principles outlined in sub-sections 2(a) to (j) are considered. The 10 constitutional principles considered in the 2025 division of revenue are briefly noted below.

### National interest and the division of resources

The National Development Plan sets out the national interest by outlining a long-term vision for the country through which South Africa can advance inclusive economic transformation. To achieve this vision, South Africa needs to use the division of resources in a manner that draws on the energies of its people; builds and grows an inclusive economy; builds capabilities; enhances the capacity of the state; and promotes leadership and partnerships throughout society. The 2024–2029 Medium Term Development Plan outlines the plan and a results framework for implementing South Africa's national development priorities for the seventh administration of the government of national unity.

In the 2024 *Medium Term Budget Policy Statement* (MTBPS), the Minister of Finance outlined how the resources available to government over the 2025 medium-term expenditure framework (MTEF) period would be allocated to help address government's areas of immediate focus. These focus areas are as follows:

- Achieving fiscal sustainability by stabilising debt.
- Promoting economic growth and maintaining higher levels of investment by directing a growing share of public spending towards capital projects.
- Supporting and protecting critical social services in the context of constrained budget resources.
- Focusing on the growth in the public-service wage bill.

These focus areas have informed the division of resources between the three spheres of government over the 2025 MTEF period. Chapter 4 of the 2024 MTBPS and chapters 5 and 6 of the 2025 *Budget Review* discuss how funds have been allocated across the three spheres of government based on these focus areas. The framework for each conditional grant also notes how the grant is linked to government's 14 priority outcomes.

### Provision for debt costs

The resources shared between national, provincial and local government include proceeds from national government borrowing used to fund public spending. Gross loan debt will stabilise at 76.2 per cent of GDP in 2025/26. To protect and maintain the country's integrity and credit reputation, it is important that national government provide for the resulting debt costs. Chapter 7 of the 2025 *Budget Review* provides a more detailed discussion.

## National government's needs and interests

The Constitution assigns exclusive and concurrent powers and functions to each sphere of government. National and provincial government have concurrent responsibility for a range of functions, such as school education, health services, social welfare services, housing and agriculture. For these functions, national government is mainly responsible for providing leadership, formulating policy (including setting norms and standards) and providing oversight and monitoring, while provincial government is mainly responsible for implementation in line with the nationally determined framework.

National government is exclusively responsible for functions that serve the national interest and are best centralised, including national defence, the criminal justice system (safety and security, courts), higher education and administrative functions (home affairs, collection of national taxes). Provincial and local government receive equitable shares and conditional grants to enable them to provide basic services and perform their functions. Functions may shift between spheres of government in line with legislative prescripts to better meet the country's needs, which is then reflected in the division of revenue. Changes continue to be made to various national transfers to provincial and local government to improve their efficiency, effectiveness and alignment with national strategic objectives.

## Provincial and local government basic services

Provinces and municipalities are responsible for providing education, health, social development, housing, roads, electricity and water, and municipal infrastructure services. They have the autonomy to allocate resources to meet basic needs and respond to provincial and local priorities while giving effect to national objectives. The division of revenue provides equitable shares to provinces and local government to enable them to meet their basic service obligations. In addition, conditional grants are provided to enable them to improve and expand the provision of services.

Over the 2025 MTEF period, R2.95 trillion or 49.8 per cent of non-interest spending is allocated to provinces and local government. Of this, R2.4 trillion or 41.9 per cent is allocated to provinces, while R552.7 billion or 9.7 per cent is allocated to local government. This is to continue funding local and provincial government priorities over the medium term, which include health, education and municipal basic services, and funding the rising costs of these services as a result of population growth and higher bulk electricity and water costs.

## Fiscal capacity and efficiency

Fiscal capacity refers to the revenue-raising power of each sphere of government. High-level Income and Expenditure Survey data was released on 28 January 2025. The detailed data – still outstanding – did not inform the 2025 budget allocations. Looking ahead, this data will play a crucial role in shaping the 2026 budget allocations, presenting an opportunity to refine the funding system to better reflect the fiscal capacity of each province and municipality. This is especially important, as fiscal capacity may have shifted significantly since the 2011 Census update.

Of all three spheres of government, national government has the highest revenue-raising capacity. The revenue generated is shared with other spheres to support various services and initiatives. National government has large spending responsibilities and therefore typically receives the largest share of nationally raised revenue after accounting for the contingency reserve and debt-servicing costs. Provinces, meanwhile, have limited revenue-raising capacity but significant spending responsibilities, so they receive the second-largest share of nationally raised revenue.

Municipalities, on the other hand, can raise revenue through property rates, user charges and fees. This revenue covers basic services such as sanitation, waste management, electricity and water. The costs of these services are typically recovered through tariffs. Therefore, municipalities finance most of their expenditure through these revenue sources.

However, the ability of individual municipalities to raise revenue varies greatly. Rural municipalities, for example, typically raise much less revenue than large urban and metropolitan municipalities. The design of the local government fiscal framework acknowledges this reality and acknowledges that many rural municipalities will depend on transfers for most of their funding. These transfers are made through the local government equitable share formula, which considers the fiscal capacity of each recipient municipality.

To improve the efficiency of funding distribution, mechanisms for allocating funds to provinces and municipalities are regularly reviewed. Conditional grant allocations to provincial and local government are informed by the recipient's efficacy and efficiency in using previous allocations. With the recent census data, it will be possible to further improve the allocation of funding to ensure that it reaches those with the greatest need.

## Developmental needs

Developmental needs are accounted for at two levels. First, in determining the division of revenue, which mostly grows the provincial and local government shares of nationally raised revenue faster than inflation, and second, in the formulas used to divide national transfers among municipalities and provinces. Developmental needs are built into the equitable share formulas for provincial and local government and included in specific conditional grants, such as the *municipal infrastructure grant*, which allocates funds according to the number of households without access to basic services in a municipality. Various infrastructure grants and the capital budgets of provinces and municipalities aim to boost economic and social development.

## Economic disparities

The equitable share and infrastructure grant formulas redistribute funds towards poorer provinces and municipalities (parts 4 and 5 of this annexure provide statistics illustrating this). Through the division of revenue, government continues to invest in economic infrastructure (such as roads), allocating R243 billion over the 2025 MTEF period, and social infrastructure (such as schools, hospitals and clinics), allocating R81 billion over the 2025 MTEF period. This is to stimulate economic development, create jobs and address economic and social disparities.

## Obligations in terms of national legislation

The Constitution gives provincial governments and municipalities the power to determine priorities and allocate budgets. National government is responsible for developing policy, fulfilling national mandates, setting national norms and standards for provincial and municipal functions, and monitoring the implementation of concurrent functions.

The 2025 MTEF, through the division of revenue, continues to fund the delivery of provincial, municipal and concurrent functions through a combination of conditional and unconditional grants.

## Predictability and stability

Provincial and local government equitable share allocations are based on estimates of nationally raised revenue. If this revenue falls short of estimates within a given year, the equitable shares of provinces and local government will not be reduced. Allocations are assured (voted, legislated and guaranteed) for the first year and are transferred according to a payment schedule. To contribute to longer-term predictability and stability, estimates for a further two years are published with the annual proposal for appropriations. Adjusted estimates as a result of changes to data underpinning the equitable share formulas and revisions to the formulas themselves are phased in to ensure minimal disruption.

## Flexibility in responding to emergencies

Government has a contingency reserve for unforeseen and unavoidable events. In addition, two conditional grants for disasters and housing emergencies (*provincial disaster response grant* and *municipal disaster response grant*) allow government to allocate and transfer funds to affected provinces and municipalities in the immediate aftermath of a disaster. Over the 2025 MTEF period, R1.7 billion is allocated to these grants. Furthermore, various pieces of legislation, such as sections 16 and 25 of the Public Finance Management Act (1999), provide for the allocation of funds (including adjustment allocations) to deal with emergency, unforeseeable and unavoidable situations. Section 29 of the Municipal Finance Management Act (2003) allows a municipal mayor to authorise unforeseeable and unavoidable expenditure in an emergency.

# PART 2: THE 2025 DIVISION OF REVENUE

The 2025 fiscal strategy will prioritise fiscal sustainability by pursuing a debt-stabilising primary balance in 2025/26. Government's strategy continues to strike a balance between reducing risks to the fiscal framework and supporting economic growth and social programmes. The strategy will prioritise (as contained in Chapter 3 of the 2025 *Budget Review*):

- Achieving a debt-stabilising main budget primary surplus in 2025/26 and maintaining sufficiently large primary surpluses over the remainder of the decade.
- Implementing the 2025 public-service wage agreement in a sustainable way that mitigates its impacts on the core fiscal metrics.

- Growing payments for capital assets at a consolidated level faster than inflation. Capital payments are the fastest-growing spending item.
- Shifting the borrowing strategy to prioritising capital payments, while ensuring that current revenue exceeds current spending.

The most important public spending programmes that help poor South Africans, contribute to growth and create jobs have been protected from major reductions. The 2025 division of revenue reprioritises existing funds to ensure these objectives are met.

Excluding debt-service costs and the contingency reserve, allocated expenditure shared across government amounts to R1.86 trillion in 2025/26, R1.89 trillion in 2026/27 and R1.97 trillion in 2027/28. The division of these funds between the three spheres takes into account government's spending priorities, each sphere's revenue-raising capacity and responsibilities, and input from various intergovernmental forums and the FFC. The provincial and local equitable share formulas are designed to ensure fair, stable and predictable revenue shares, and to address economic and fiscal disparities.

## Increase in non-interest spending

Over the next few years, government plans to increase its consolidated government spending from R2.59 trillion in 2025/26 to R2.83 trillion in 2027/28. The bulk of this spending will go towards supporting the social wage, which is a crucial aspect of government's commitment to social welfare. Despite the increase in spending, the consolidated budget deficit is expected to decline from 4.6 per cent of GDP in 2025/26 to 3.5 per cent of GDP in 2027/28.

Several provincial and local government infrastructure grants that are likely to go unspent based on historical spending trends are being reprioritised to other priorities. Parts 4 and 5 of this annexure set out in more detail how the changes to the baseline affect provincial and local government transfers.

## The fiscal framework

Table W1.1 presents the medium-term macroeconomic forecasts for the 2025 Budget. It sets out the growth assumptions and fiscal policy targets on which the fiscal framework is based.

**Table W1.1 Medium-term macroeconomic assumptions**

| | 2024/25 | | 2025/26 | | 2026/27 | | 2027/28 |
|---|---|---|---|---|---|---|---|
| R billion/percentage of GDP | 2024 Budget | 2025 Budget | 2024 Budget | 2025 Budget | 2024 Budget | 2025 Budget | 2025 Budget |
| Gross domestic product | 7 452.2 | 7 478.8 | 7 913.8 | 7 999.4 | 8 422.3 | 8 512.6 | 9 068.7 |
| *Real GDP growth* | *1.4%* | *1.1%* | *1.7%* | *1.8%* | *1.8%* | *1.8%* | *1.9%* |
| *GDP inflation* | *4.2%* | *4.3%* | *4.5%* | *5.0%* | *4.5%* | *4.5%* | *4.6%* |
| **National budget framework** | | | | | | | |
| **Revenue** | **1 815.0** | **1 797.6** | **1 947.4** | **1 970.5** | **2 086.0** | **2 118.4** | **2 246.6** |
| *Percentage of GDP* | *24.4%* | *24.0%* | *24.6%* | *24.6%* | *24.8%* | *24.9%* | *24.8%* |
| **Expenditure** | **2 136.0** | **2 150.3** | **2 255.6** | **2 324.4** | **2 373.2** | **2 431.5** | **2 543.0** |
| *Percentage of GDP* | *28.7%* | *28.8%* | *28.5%* | *29.1%* | *28.2%* | *28.6%* | *28.0%* |
| **Main budget balance**[1] | **-320.9** | **-352.7** | **-308.2** | **-353.9** | **-287.2** | **-313.0** | **-296.4** |
| *Percentage of GDP* | *-4.3%* | *-4.7%* | *-3.9%* | *-4.4%* | *-3.4%* | *-3.7%* | *-3.3%* |

*1. A positive number reflects a surplus and a negative number a deficit*
*Source: National Treasury*

Table W1.2 sets out the division of revenue for the 2025 MTEF period after accounting for new policy priorities.

**Table W1.2 Division of nationally raised revenue**

| R million | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|---|---|
| | Outcome | | | Revised estimate | Medium-term estimates | | |
| **Division of available funds** | | | | | | | |
| **National departments** | **822 785** | **855 868** | **826 901** | **862 335** | **912 813** | **910 228** | **943 903** |
| *of which:* | | | | | | | |
| *Indirect transfers to provinces* | *3 757* | *3 536* | *4 099* | *3 877* | *4 909* | *3 024* | *2 624* |
| *Indirect transfers to local government* | *5 702* | *7 182* | *8 174* | *7 127* | *7 863* | *7 866* | *8 222* |
| **Provinces** | **660 799** | **694 131** | **706 258** | **730 658** | **767 791** | **798 427** | **833 804** |
| Equitable share | 544 835 | 570 868 | 585 086 | 600 476 | 633 166 | 660 569 | 690 243 |
| Conditional grants | 115 964 | 123 263 | 121 172 | 130 182 | 134 625 | 137 858 | 143 561 |
| **Local government** | **135 625** | **150 699** | **157 650** | **167 734** | **176 825** | **185 112** | **190 804** |
| Equitable share | 76 169 | 83 938 | 92 262 | 99 478 | 106 087 | 110 661 | 115 666 |
| Conditional grants | 44 839 | 51 426 | 49 955 | 52 129 | 53 889 | 56 830 | 56 720 |
| General fuel levy sharing with metros | 14 617 | 15 335 | 15 433 | 16 127 | 16 849 | 17 621 | 18 418 |
| Provisional allocations not appropriated[1] | – | – | – | – | 37 056 | 83 011 | 84 749 |
| **Non-interest allocations** | **1 619 208** | **1 700 698** | **1 690 809** | **1 760 727** | **1 894 485** | **1 976 778** | **2 053 260** |
| *Percentage increase* | *4.0%* | *5.0%* | *-0.6%* | *4.1%* | *7.6%* | *4.3%* | *3.9%* |
| Debt-service costs | 268 072 | 308 459 | 356 110 | 389 561 | 424 869 | 449 185 | 478 611 |
| Contingency reserve | – | – | – | – | 5 000 | 5 500 | 11 127 |
| **Main budget expenditure** | **1 887 280** | **2 009 157** | **2 046 919** | **2 150 287** | **2 324 354** | **2 431 464** | **2 542 997** |
| *Percentage increase* | *5.5%* | *6.5%* | *1.9%* | *5.0%* | *8.1%* | *4.6%* | *4.6%* |
| *Percentage shares* | | | | | | | |
| *National departments* | *50.8%* | *50.3%* | *48.9%* | *49.0%* | *49.1%* | *48.1%* | *48.0%* |
| *Provinces* | *40.8%* | *40.8%* | *41.8%* | *41.5%* | *41.3%* | *42.2%* | *42.4%* |
| *Local government* | *8.4%* | *8.9%* | *9.3%* | *9.5%* | *9.5%* | *9.8%* | *9.7%* |

*1. Includes amounts for Budget Facility for Infrastructure projects and other provisional allocations*
*Source: National Treasury*

Table W1.3 shows how changes to the baseline are spread across government. The new focus areas are accommodated by small increases in non-interest spending.

**Table W1.3 Changes over baseline**

| R million | 2025/26 | 2026/27 |
|---|---|---|
| National departments | 59 103 | 19 777 |
| Provinces | 6 939 | 7 624 |
| Local government | -831 | 1 337 |
| **Allocated expenditure** | **65 210** | **28 738** |

*Source: National Treasury*

Table W1.4 sets out schedule 1 of the Division of Revenue Bill, which reflects the legal division of revenue between national, provincial and local government. In this division, the national share includes all conditional grants to provinces and local government in line with section 214(1) of the Constitution, and the allocations for each sphere reflect equitable shares only.

**Table W1.4 Schedule 1 of the Division of Revenue Bill**

| R million | 2025/26 Allocation | 2026/27 Forward estimates | 2027/28 Forward estimates |
|---|---|---|---|
| National[1] | 1 585 101 | 1 660 234 | 1 737 088 |
| Provincial | 633 166 | 660 569 | 690 243 |
| Local | 106 087 | 110 661 | 115 666 |
| **Total** | **2 324 354** | **2 431 464** | **2 542 997** |

*1. National share includes conditional grants to provinces and local government, general fuel levy sharing with metropolitan municipalities, debt-service costs, the contingency reserve and provisional allocations*
*Source: National Treasury*

The 2025 *Budget Review* sets out in detail how constitutional considerations and government's priorities are taken into account in the division of revenue. It describes economic and fiscal policy considerations, revenue issues, debt and financing considerations, and expenditure plans. Chapter 6 focuses on provincial and local government financing.

## PART 3: RESPONSE TO THE FFC'S RECOMMENDATIONS

Section 9 of the Intergovernmental Fiscal Relations Act requires the FFC to make recommendations regarding:

- "An equitable division of revenue raised nationally, among the national, provincial and local spheres of government;
- the determination of each province's equitable share in the provincial share of that revenue; and
- 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 should be made."

The act requires that the FFC table these recommendations at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2025/26* to Parliament in 2024. This year's theme is "public-sector productivity and economic growth". The 2025/26 recommendations cover the following areas: international best practices to enhance public-sector performance, rail transport, smallholder farmers, judicial reforms, healthcare delivery and local governance.

Section 214 of the Constitution requires that the FFC's recommendations be considered before tabling the division of revenue. Section 10 of the Intergovernmental Fiscal Relations Act requires that the Minister of Finance table a Division of Revenue Bill with the annual budget in the National Assembly. The Bill must be accompanied by an explanatory memorandum setting out how government has taken into account the FFC's recommendations when determining the division of revenue. This part of the explanatory memorandum complies with this requirement.

The FFC's recommendations can be divided into three categories:

- Recommendations that apply directly to the division of revenue
- Recommendations that indirectly apply to issues related to the division of revenue

- Recommendations that do not relate to the division of revenue.

Government's responses to the first and second categories are provided below. Recommendations that do not relate to the division of revenue are normally referred to the officials to whom they were addressed, who are requested to respond directly to the FFC. All the FFC recommendations can be accessed at www.ffc.co.za.

## RECOMMENDATIONS THAT APPLY DIRECTLY AND INDIRECTLY TO THE DIVISION OF REVENUE

### Chapter 1: Improving public-sector performance: An international perspective

The FFC recommends the following: "The international experience shows that government investment in infrastructure is essential for economic growth and productivity. Therefore, the Commission recommends that National Treasury, through the division of revenue, in collaboration with the Department of Trade, Industry and Competition, the Department of Public Enterprises, and the Department of Public Works and Infrastructure, devise and consolidate the various grants and earmarked allocations into an infrastructure incentive grant for economic infrastructure development and public-private partnerships (PPPs)."

*Government response*

South Africa already has a wide range of incentives within the grant system to support infrastructure development, particularly for the poor. Government's role in infrastructure investment is primarily to address market failures and ensure equitable access, which is why the grant system is skewed towards infrastructure that benefits the poor. For economic infrastructure, cost recovery mechanisms such as tariffs are designed to play a significant role, with government investment aimed at crowding in private-sector participation through public-private partnerships and other mechanisms.

A comprehensive review of all conditional grants was concluded in 2024. It explored options for reforming the grant system to improve efficiency and effectiveness, including consolidating grants. The review did not recommend establishing an infrastructure incentive grant as proposed by the FFC. Instead, the focus remains on optimising the existing grant system to balance the needs of the poor with the imperative to attract private-sector investment in economic infrastructure.

### Chapter 3: A review of the support provided to smallholder farmers in South Africa and opportunities for improving performance

The FFC recommends the following: "The Department of Agriculture, Land Reform and Rural Development should consider consolidating the three agriculture conditional grants (the Comprehensive Agricultural Support Programme, Ilima Letsema and the Land Care Grant), along with other existing pools of funding geared at assisting smallholder farmers, to ensure that the assistance provided can contribute to the long-term sustainability of smallholder farmers."

*Government response*

The conditional grants review proposes merging the *comprehensive agricultural support programme grant* and the *Ilima/Letsema projects grant* to address the administrative burdens and overlaps identified between the two grants, while the *land care programme grant: poverty relief and infrastructure development* will remain a standalone grant for the foreseeable future. The merger is intended to streamline administrative processes, reducing the workload on provincial departments, eliminate duplication of efforts in supporting smallholder and subsistence farmers, and provide a more cohesive and comprehensive support system for beneficiaries. The National Treasury, in collaboration with the Department of Agriculture, Land Reform and Rural Development, will work on the redesign process to ensure the merger is seamless. Moreover, the widespread acknowledgement by stakeholders that the *land care programme grant: poverty relief and infrastructure development* is underfunded highlights the need to retain it as a standalone grant. The programme plays a critical role in addressing the degradation of natural agricultural resources by promoting sustainable practices that ensure food security and support a productive agricultural sector. Its targeted interventions directly benefit farming communities and are essential for the long-term sustainability of agricultural resources.

The FFC recommends the following: "As a means of strengthening food security and facilitating transformation in the agricultural sector, public food procurement from smallholder farmers should be actively supported. Consideration should be given to establishing a conditional grant to enable provincial departments of Agriculture to assist smallholder farmers, at least initially, with costs associated with supply integration."

*Government response*

Government emphasises that introducing new conditional grants is often not the optimal solution. The conditional grants review process has highlighted challenges such as the administrative costs associated with compliance and the risk of duplication, as seen with the *Ilima/Letsema projects grant* and the *comprehensive agricultural support grant*. These issues underscore the need to streamline existing grants rather than create additional ones.

The *comprehensive agricultural support grant* provides for effective and coordinated agricultural support through collaborations with industry transformation initiatives, while also promoting and facilitating agricultural development by targeting beneficiaries of land reform and other black producers who have acquired land through private means and are engaged in value-adding domestic enterprises. The redesign process of this grant will also explore how best to strengthen this support to farmers as a means of strengthening food security.

## Chapter 5: Measuring efficiency in the provision of healthcare

The FFC recommends the following: "The Commission reiterates its recommendation made in 2015 that National Treasury and line departments should consider indirect conditional grants as a measure of last resort while continuing to build capacity in other lower spheres of government if the belief is that provinces and municipalities lack capacity."

*Government response*

Government acknowledges the FFC's recommendation and agrees that indirect conditional grants should be used as a measure of last resort. However, recent experiences have shown that national departments often favour indirect grants, not as a last resort, but as a default approach, even when evidence suggests that this does not always lead to improved service delivery. In many cases, national departments also struggle to spend these funds effectively, making it difficult to justify hasty interventions through indirect grants. This highlights the need for a more measured and strategic approach that prioritises building capacity in provinces and municipalities to ensure sustainable service delivery. Government also recognises the legal and policy gaps surrounding the use of indirect grants, including the lack of clarity on when they can be implemented and for how long. These issues have been a key focus of the review of conditional grants. As a short-term measure, the National Treasury is developing a policy on indirect grants to address these challenges and provide clearer guidance. This policy will aim to ensure that indirect grants are used appropriately and only in circumstances where they are truly necessary, while continuing efforts to strengthen capacity in lower spheres of government.

The FFC recommends the following: "National Treasury should review the funding of the National Health Insurance and ensure that all funding allocated under the National Health Insurance Programme is for activities and infrastructure directly related to the programme."

*Government response*

The National Treasury and the Department of Health will collaborate to ensure that reforms to health grants are carefully aligned with the objectives of national health insurance (NHI), while safeguarding the delivery of health services. The determination of roles and responsibilities between national and provincial health functions, as well as the funding structure, will be prioritised before any reforms are implemented.

This approach will ensure that the implementation of the NHI is constitutionally sound, is effectively coordinated across all spheres of government and supports the progressive realisation of universal health coverage.

## PART 4: PROVINCIAL ALLOCATIONS

Provincial government receives two forms of allocations from nationally raised revenue: the equitable share and conditional grants. Sections 214 and 227 of the Constitution require that an equitable share of nationally raised revenue be allocated to provincial government to provide basic services and perform its allocated functions. The equitable share is an unconditional transfer to provinces and constitutes their main source of revenue. Due to their limited revenue-raising abilities, provinces receive 41.9 per cent of nationally raised revenue over the medium term. In addition, they receive conditional grants to help them fulfil their mandates. Transfers to provinces account for over 96 per cent of provincial revenue.

This section outlines national transfers to provinces for the 2025 MTEF period announced in the 2024 MTBPS and changes to the conditional grants that were effected after it was tabled. Having taken the revisions to the provincial fiscal framework into account, national transfers

to provinces increase from R730.7 billion in 2024/25 to R767.8 billion in 2025/26. Over the MTEF period, provincial transfers will grow at an average annual rate of 4.5 per cent to R833.8 billion in 2027/28. Table W1.5 sets out the transfers to provinces for 2025/26. A total of R633.2 billion is allocated to the provincial equitable share and R134.6 billion to conditional grants, which includes an unallocated amount of R151 million for the *provincial disaster response grant*.

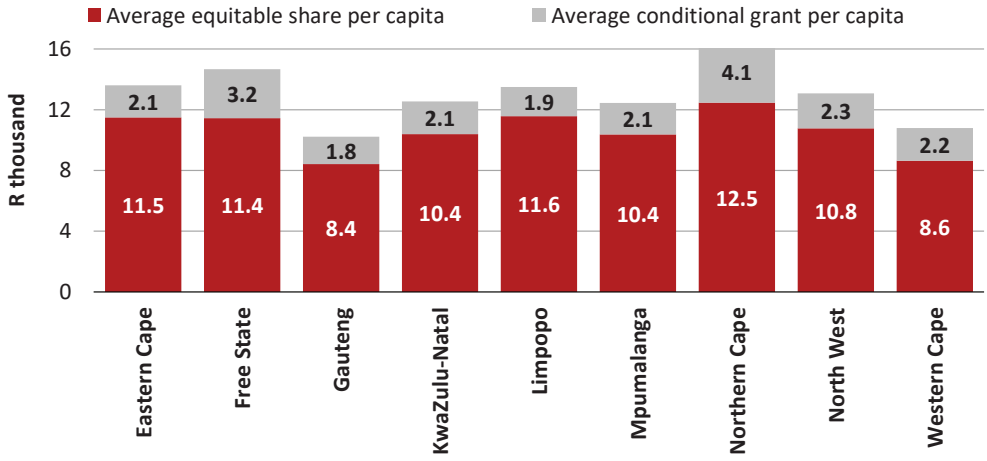
**Table W1.5 Total transfers to provinces, 2025/26**

| R million | Equitable share | Conditional grants | Total transfers |
|---|---|---|---|
| Eastern Cape | 82 452 | 15 236 | 97 689 |
| Free State | 34 836 | 9 801 | 44 637 |
| Gauteng | 133 979 | 28 920 | 162 899 |
| KwaZulu-Natal | 128 095 | 26 366 | 154 461 |
| Limpopo | 74 064 | 12 300 | 86 364 |
| Mpumalanga | 52 487 | 10 450 | 62 937 |
| Northern Cape | 17 111 | 5 573 | 22 684 |
| North West | 44 765 | 9 560 | 54 325 |
| Western Cape | 65 376 | 16 268 | 81 644 |
| Unallocated | | 151 | 151 |
| **Total** | **633 166** | **134 625** | **767 791** |

*Source: National Treasury*

The provincial fiscal framework takes account of the different pressures facing each province and allocates larger per capita allocations to poorer provinces and provinces with smaller populations.

**Figure W1.1 Per capita allocations to provinces, 2025/26**




*Source: National Treasury*

## Changes to provincial allocations

For the 2025 MTEF period, changes to provincial allocations include the reprioritisation of funds from conditional grants to national government and additional allocations to the provincial equitable share and conditional grants. Table W1.6 provides a summary of the changes to the provincial fiscal framework.

An amount of R15.3 billion has been added to the provincial allocations to support provinces with the implementation of the costs associated with the 2025 public-service wage agreement. Of this amount, R14.5 billion is added to the provincial equitable share, with each province's allocation determined through the equitable share formula. The remaining R861 million is added to several conditional grants that fund compensation of employees. Funds have also been added to the provincial allocations as part of the presidential employment initiative. In 2025/26, R1.2 billion will be added to the provincial equitable share to fund the teacher assistants programme that was introduced in 2020.

Additions to the provincial allocations have also been made through the Budget Facility for Infrastructure. In the 2024/25 adjustments budget, the *education infrastructure grant* was allocated funding for the Western Cape Rapid Schools Build Programme under the Budget Facility for Infrastructure. This programme will continue to be funded in the 2025 MTEF period, with R1 billion allocated in 2025/26 and R1.3 billion in 2026/27. An amount of R1.1 billion has been provisionally allocated in 2025/26 and 2026/27 to the *national health insurance indirect grant: health facility revitalisation component* for the Siloam District Hospital. The project is approved for funding subject to the Limpopo Provincial Health Department fulfilling some requirements.

Similarly, R2.3 billion has been provisionally allocated to fund health technology for the Tygerberg Hospital in the *health facility revitalisation grant*. The funding is over a four-year period starting in 2027/28 with an allocation of R295 million. The project is contingent on the finalisation of a public-private partnership agreement and the submission of the final list of health technology costs.

Other changes to provincial allocations include reprioritisation of funds from and within conditional grants: R199 million is reprioritised from the *comprehensive agricultural support programme grant* to national government over the 2025 MTEF period. This funding will be used to augment funding for the blended finance scheme administered by the Department of Agriculture. Within the same conditional grant, R300 million is made available from the infrastructure portion of the grant to fund extension officers in the extension recovery planning services portion of the grant.

Over the 2025 MTEF period, R6 million in 2025/26, R7 million in 2026/27 and R8 million in 2027/28 are reprioritised from the Department of Health to the *national health insurance indirect grant: health systems component* for the central chronic medicines dispensing and distribution programme. This funding will be used to support the gradual transition of Centres for Disease Control and Prevention donor-funded posts into the department.

Over the MTEF period, R94 million is reprioritised from the *provincial roads maintenance grant* to the S'hamba Sonke Programme within the Department of Transport. The funds will

be used to augment the existing funds allocated towards providing technical support services for the monitoring of road maintenance projects implemented by provinces.

Several changes will also be made to the provincial conditional grants based on the recommendations of the review of the conditional grant system. These will be implemented in a phased manner, with the first set of recommendations introduced in the 2025 MTEF in the agriculture, education, public works and infrastructure, and sport, arts and culture sectors.

**Table W1.6 Revisions to direct and indirect transfers to provincial government**

| R million | 2025/26 | 2026/27 | 2027/28 | MTEF total revision |
|---|---|---|---|---|
| **Technical adjustments** | – | – | – | – |
| **Direct transfers** | – | – | – | – |
| Expanded public works programme integrated grant for provinces | 310 | 324 | 338 | 972 |
| Social sector expanded public works programme incentive grant for provinces | -310 | -324 | -338 | -972 |
| **Additions to baseline** | **6 820** | **7 991** | **7 545** | **22 356** |
| **Direct transfers** | **5 851** | **7 724** | **7 537** | **21 112** |
| Provincial equitable share | 4 534 | 4 864 | 5 094 | 14 492 |
| Conditional grants | 1 317 | 2 860 | 2 443 | 6 620 |
| Comprehensive agricultural support programme grant | 2 | 3 | 3 | 8 |
| Ilima/Letsema projects grant | 0 | 0 | 0 | 0 |
| Land care | 0 | 0 | 0 | 0 |
| Early childhood development grant | 0 | 100 | 110 | 211 |
| Education infrastructure grant | 1 052 | 2 475 | 1 739 | 5 266 |
| HIV and AIDS (life skills education) grant | 1 | 1 | 1 | 3 |
| Maths, science and technology grant | 0 | 0 | 0 | 0 |
| Learners with profound intellectual disabilities | 2 | 2 | 2 | 6 |
| National School Nutrition Programme | 4 | 5 | 5 | 14 |
| District health programmes grant | 111 | 119 | 125 | 355 |
| Health facility revitalisation grant | 3 | 3 | 298 | 305 |
| National tertiary services grant | 76 | 81 | 85 | 242 |
| Human resources and training grant | 52 | 56 | 59 | 167 |
| National health insurance grant | 4 | 5 | 5 | 14 |
| Mass participation and sport development grant | 1 | 1 | 1 | 3 |
| Human settlements development grant | 1 | 1 | 1 | 3 |
| Informal settlements upgrading | 0 | 0 | 0 | 1 |
| Expanded public works programme integrated grant for provinces | 2 | 2 | 2 | 6 |
| Community library services grant | 6 | 6 | 6 | 18 |
| **Indirect transfers** | **969** | **267** | **9** | **1 244** |
| School infrastructure backlogs grant | 104 | – | – | 104 |
| National health insurance indirect grant | 865 | 267 | 9 | 1 140 |
| **Reductions to baselines** | **-253** | **-1 520** | **-2 044** | **-3 817** |
| **Direct transfers** | **-103** | **-100** | **-90** | **-293** |
| **Conditional grants** | **-103** | **-100** | **-90** | **-293** |
| Comprehensive agricultural support | -72 | -69 | -58 | -199 |
| Provincial roads maintenance grant | -31 | -31 | -31 | -94 |
| **Indirect transfers** | **-150** | **-1 420** | **-1 955** | **-3 525** |
| School infrastructure backlogs grant | -150 | -1 420 | -1 955 | -3 525 |
| **Total change to provincial government allocations** | | | | |
| Change to direct transfers | 5 749 | 7 624 | 7 447 | 20 820 |
| Change to indirect transfers | 819 | -1 153 | -1 946 | 1 244 |
| **Net change to provincial government allocations** | **6 567** | **6 471** | **5 501** | **18 539** |

*Source: National Treasury*

After accounting for these changes, the provincial equitable share grows at an average annual rate of 4.8 per cent over the MTEF period, while direct conditional grant allocations grow at an average annual rate of 3.3 per cent.

## The provincial equitable share

The equitable share is the main source of revenue through which provinces are able to meet their expenditure responsibilities. To ensure that allocations are fair, the equitable share is allocated through a formula using objective data to reflect the demand for services across all nine provinces. For each year of the 2025 MTEF period, the following amounts are allocated to the provincial equitable share: R633.2 billion in 2025/26, R660.6 billion in 2026/27 and R690.2 billion in 2027/28.

## The equitable share formula

The equitable share formula consists of six components that account for the relative demand of services and take into consideration changing demographics in each of the provinces. The structure of the two largest components, education and health, is based on the demand and the need for education and health services. The other four components enable provinces to perform their other functions, taking into consideration the population size of each province, the proportion of poor residents in each province, the level of economic activity and the costs associated with running a provincial administration.

The review of the formula is ongoing. Changes are made to the components of the formula as the review progresses. For the 2025 MTEF, no structural changes will be made to the components of the provincial equitable share formula.

## Data availability

In the 2024 MTEF, the provincial equitable share formula continued to use the 2022 mid-year population estimates instead of the 2022 Census to inform the population figures in the formula. This was because at the time of determining the formula, most of the 2022 Census data needed to make the annual technical updates to the formula had not yet been made available. Although this 2022 Census data is now available, Statistics South Africa has released more recent population estimates through the 2024 mid-year population estimates. One of the principles underpinning the provincial equitable share formula requires the use of the latest official data. The 2024 mid-year population estimates supersede the 2022 Census data and are therefore more suited to make updates to the 2025 provincial equitable share formula.

Similarly, the economic activity component of the provincial equitable share formula for both the 2023 and 2024 MTEF periods was not updated with the most recent regional GDP figures. This was due to the pending review of the methodology used to determine the regional GDP figures. Statistics South Africa has concluded its review of the regional GDP methodology, so

for the first time since 2019, the economic activity component will be updated with the most recent data.

The rest of the formula has been updated with preliminary 2024 data published by the Department of Basic Education on school enrolment from the Learner Unit Record Information Tracking System (LURITS) database. Data from the health sector for 2022/23 and 2023/24 and the 2022 General Household Survey for medical aid coverage is also used to update the formula.

Except for the poverty component, all the components of the provincial equitable share formula have been updated with new data sets. At the time of determining the provincial equitable share formula, the income and expenditure data required to make the annual technical updates to the poverty component was not yet available.

## Summary of the formula's structure

The formula's six components, shown in Table W1.7, capture the relative demand for services across provinces and take into account specific provincial circumstances. The components are neither indicative budgets nor guidelines as to how much should be spent on functions. Rather, the education and health components are weighted broadly in line with historical expenditure patterns to indicate relative need. Provincial executive councils determine the departmental allocations for each function, taking into account the priorities that underpin the division of revenue.

For the 2025 Budget, the formula components are set out as follows:

- An *education component* (48 per cent), based on the size of the school-age population (ages five to 17) and the number of learners (Grades R to 12) enrolled in public ordinary schools.
- A *health component* (27 per cent), based on each province's risk profile and health system caseload.
- A *basic component* (16 per cent), derived from each province's share of the national population.
- An *institutional component* (5 per cent), divided equally between the provinces.
- A *poverty component* (3 per cent), based on income data. This component reinforces the redistributive bias of the formula.
- An *economic activity component* (1 per cent), based on regional gross domestic product (GDP-R, measured by Statistics South Africa).

**Table W1.7 Distributing the equitable shares by province, 2025 MTEF**

| | Education | Health | Basic share | Poverty | Economic activity | Institu-tional | Weighted average |
|---|---|---|---|---|---|---|---|
| Eastern Cape | 13.1% | 13.9% | 11.4% | 14.8% | 7.7% | 11.1% | 12.9% |
| Free State | 5.1% | 5.5% | 4.8% | 5.0% | 4.9% | 11.1% | 5.5% |
| Gauteng | 20.5% | 20.7% | 25.3% | 18.3% | 33.2% | 11.1% | 20.9% |
| KwaZulu-Natal | 21.4% | 21.0% | 19.5% | 22.2% | 16.2% | 11.1% | 20.4% |
| Limpopo | 12.7% | 11.4% | 10.2% | 13.5% | 7.6% | 11.1% | 11.8% |
| Mpumalanga | 8.4% | 8.0% | 8.0% | 9.5% | 7.8% | 11.1% | 8.4% |
| Northern Cape | 2.3% | 2.3% | 2.2% | 2.2% | 2.3% | 11.1% | 2.7% |
| North West | 6.6% | 6.8% | 6.6% | 7.9% | 6.4% | 11.1% | 6.9% |
| Western Cape | 9.9% | 10.5% | 12.0% | 6.6% | 14.0% | 11.1% | 10.4% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

*Source: National Treasury*

## Education component (48 per cent)

The education component has two sub-components, accounting for school-age population (five to 17 years) and enrolment data. Each element is assigned a weight of 50 per cent.

The school-age population data is updated using the 2024 mid-year population estimates data obtained from Statistics South Africa. The enrolment data is obtained from the Department of Basic Education's LURITS system, with the most recent data collected in 2024. These sub-components are used to calculate a weighted share for the education component for each of the provinces. Table W1.8 shows the combined effect of updating the education component with new enrolment and age cohort data on the education component shares.

**Table W1.8 Impact of changes in school enrolment on the education component share**

| | | School enrolment | | Changes in enrolment data | Weighted average | | Difference in weighted average |
|---|---|---|---|---|---|---|---|
| Thousand | Age 5-17 | 2023 | 2024 | | 2024 MTEF | 2025 MTEF | |
| Eastern Cape | 1 919 | 1 804 | 1 790 | -14 | 13.2% | 13.1% | -0.07% |
| Free State | 731 | 721 | 716 | -5 | 5.2% | 5.1% | -0.05% |
| Gauteng | 3 150 | 2 618 | 2 660 | 42 | 20.7% | 20.5% | -0.22% |
| KwaZulu-Natal | 3 154 | 2 872 | 2 889 | 17 | 21.2% | 21.4% | 0.19% |
| Limpopo | 1 776 | 1 798 | 1 818 | 20 | 12.5% | 12.7% | 0.20% |
| Mpumalanga | 1 200 | 1 149 | 1 160 | 11 | 8.2% | 8.4% | 0.13% |
| Northern Cape | 333 | 306 | 309 | 3 | 2.2% | 2.3% | 0.02% |
| North West | 979 | 879 | 882 | 3 | 6.8% | 6.6% | -0.22% |
| Western Cape | 1 512 | 1 267 | 1 278 | 11 | 9.8% | 9.9% | 0.02% |
| **Total** | **14 752** | **13 414** | **13 501** | **87** | **100.0%** | **100.0%** | **–** |

*Source: National Treasury*

## Health component (27 per cent)

The health component uses a risk-adjusted capitation index and output data from public hospitals to estimate each province's share of the health component. These methods work together to balance needs (risk-adjusted capitation) and demands (output component).

The health component is presented in three parts below. Table W1.9 shows the shares of the risk-adjusted component, which accounts for 75 per cent of the health component.

**Table W1.9 Risk-adjusted sub-component shares**

| Thousand | Mid-year population estimates 2024 | Insured population 2025 | Risk-adjusted index | Weighted population | Risk-adjusted shares 2024 MTEF | Risk-adjusted shares 2025 MTEF | Change |
|---|---|---|---|---|---|---|---|
| Eastern Cape | 7 176 | 9.8% | 119.7% | 7 750 | 13.8% | 14.3% | 0.5% |
| Free State | 3 044 | 13.3% | 110.3% | 2 909 | 5.4% | 5.4% | -0.0% |
| Gauteng | 15 932 | 22.4% | 87.6% | 10 837 | 20.6% | 20.0% | -0.7% |
| KwaZulu-Natal | 12 313 | 10.4% | 101.9% | 11 238 | 20.3% | 20.7% | 0.4% |
| Limpopo | 6 403 | 9.5% | 111.1% | 6 438 | 11.8% | 11.9% | 0.1% |
| Mpumalanga | 5 058 | 10.4% | 103.2% | 4 674 | 8.6% | 8.6% | 0.1% |
| Northern Cape | 1 373 | 15.3% | 113.5% | 1 319 | 2.4% | 2.4% | -0.0% |
| North West | 4 155 | 13.5% | 108.9% | 3 915 | 7.7% | 7.2% | -0.5% |
| Western Cape | 7 563 | 25.7% | 91.7% | 5 152 | 9.4% | 9.5% | 0.1% |
| **Total** | **63 016** | | | **54 231** | **100.0%** | **100.0%** | **0.0%** |

*Source: National Treasury*

The risk-adjusted sub-component estimates a weighted population in each province using the risk-adjusted index. The percentage of the population with medical insurance, based on the 2022 General Household Survey, is deducted from the 2024 mid-year population estimates to estimate the uninsured population per province. The risk-adjusted index, which is an index of each province's health risk profile, is applied to the uninsured population to estimate the weighted population. Each province's share of this weighted population is used to estimate their share of the risk-adjusted sub-component. The last column in Table W1.9 shows the change in this sub-component between 2023 and 2024.

**Table W1.10 Output sub-component shares**

| Thousand | Primary healthcare visits 2022/23 | 2023/24 | Average | Share | Hospital workload patient-day equivalents 2022/23 | 2023/24 | Average | Share |
|---|---|---|---|---|---|---|---|---|
| Eastern Cape | 14 118 | 13 943 | 14 030 | 13.3% | 3 696 | 3 872 | 3 784 | 12.4% |
| Free State | 5 059 | 5 207 | 5 133 | 4.9% | 2 012 | 1 881 | 1 946 | 6.4% |
| Gauteng | 19 725 | 19 293 | 19 509 | 18.5% | 7 283 | 7 265 | 7 274 | 23.8% |
| KwaZulu-Natal | 24 714 | 24 041 | 24 377 | 23.1% | 6 388 | 6 695 | 6 542 | 21.4% |
| Limpopo | 13 047 | 12 463 | 12 755 | 12.1% | 2 809 | 2 864 | 2 836 | 9.3% |
| Mpumalanga | 8 134 | 8 167 | 8 150 | 7.7% | 1 790 | 1 804 | 1 797 | 5.9% |
| Northern Cape | 2 538 | 2 683 | 2 610 | 2.5% | 572 | 614 | 593 | 1.9% |
| North West | 7 004 | 7 118 | 7 061 | 6.7% | 1 629 | 1 598 | 1 614 | 5.3% |
| Western Cape | 12 064 | 11 859 | 11 961 | 11.3% | 4 235 | 4 216 | 4 225 | 13.8% |
| **Total** | **106 401** | **104 773** | **105 587** | **100.0%** | **30 414** | **30 809** | **30 612** | **100.0%** |

*Source: National Treasury*

The output sub-component (shown in Table W1.10) uses patient load data from the District Health Information Services. The average number of visits to primary healthcare clinics in 2022/23 and 2023/24 is calculated to estimate each province's share of this part of the output component, which makes up 5 per cent of the health component. For hospitals, each province's share of the total patient-day equivalents at public hospitals in 2022/23 and 2023/24 is used to estimate their share of this part of the output sub-component, which makes up 20 per cent of the health component. In total, the output component is 25 per cent of the health component.

Table W1.11 presents the health component in three parts, with the risk-adjusted component, which accounts for 75 per cent of the health component, and the output component, which accounts for 25 per cent of the health component.

**Table W1.11 Health component weighted shares**

| Weight | Risk-adjusted 75.0% | Primary healthcare 5.0% | Hospital component 20.0% | Weighted shares 2024 MTEF | Weighted shares 2025 MTEF | Change |
|---|---|---|---|---|---|---|
| Eastern Cape | 14.3% | 13.3% | 12.4% | 13.6% | 13.9% | 0.3% |
| Free State | 5.4% | 4.9% | 6.4% | 5.6% | 5.5% | -0.0% |
| Gauteng | 20.0% | 18.5% | 23.8% | 21.1% | 20.7% | -0.4% |
| KwaZulu-Natal | 20.7% | 23.1% | 21.4% | 20.6% | 21.0% | 0.4% |
| Limpopo | 11.9% | 12.1% | 9.3% | 11.3% | 11.4% | 0.1% |
| Mpumalanga | 8.6% | 7.7% | 5.9% | 8.0% | 8.0% | 0.1% |
| Northern Cape | 2.4% | 2.5% | 1.9% | 2.3% | 2.3% | 0.0% |
| North West | 7.2% | 6.7% | 5.3% | 7.2% | 6.8% | -0.4% |
| Western Cape | 9.5% | 11.3% | 13.8% | 10.4% | 10.5% | 0.1% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **0.0%** |

*Source: National Treasury*

## Basic component (16 per cent)

The basic component is derived from each province's share of the national population. This component constitutes 16 per cent of the total equitable share. For the 2025 MTEF, population data is drawn from the 2024 mid-year population estimates produced by Statistics South Africa. Table W1.12 shows how population changes have affected the basic component's revised weighted shares.

**Table W1.12 Impact of the changes in population on the basic component shares**

| Thousand | Mid-year population estimates 2023 | Mid-year population estimates 2024 | Population change | % population change | Basic component shares 2024 MTEF | Basic component shares 2025 MTEF | Change |
|---|---|---|---|---|---|---|---|
| Eastern Cape | 6 677 | 7 176 | 500 | 7% | 11.0% | 11.4% | 0% |
| Free State | 2 922 | 3 044 | 122 | 4% | 4.8% | 4.8% | 0% |
| Gauteng | 16 099 | 15 932 | -167 | -1% | 26.6% | 25.3% | -1% |
| KwaZulu-Natal | 11 538 | 12 313 | 774 | 7% | 19.0% | 19.5% | 1% |
| Limpopo | 5 941 | 6 403 | 461 | 8% | 9.8% | 10.2% | 0% |
| Mpumalanga | 4 720 | 5 058 | 337 | 7% | 7.8% | 8.0% | 0% |
| Northern Cape | 1 309 | 1 373 | 64 | 5% | 2.2% | 2.2% | 0% |
| North West | 4 187 | 4 155 | -32 | -1% | 6.9% | 6.6% | -0% |
| Western Cape | 7 212 | 7 563 | 350 | 5% | 11.9% | 12.0% | 0% |
| **Total** | **60 605** | **63 016** | **2 411** | **0.0%** | **100.0%** | **100.0%** | **–** |

*Source: National Treasury*

## Institutional component (5 per cent)

The institutional component recognises that some costs associated with running a provincial government and providing services are not directly related to the size of a province's population or factors included in other components. It is therefore distributed equally between provinces, with each province receiving 11.1 per cent. This component benefits provinces with smaller populations, especially the Northern Cape, the Free State and the North West, because the allocation per person for these provinces is much higher in this component.

## Poverty component (3 per cent)

The poverty component introduces a redistributive element to the formula and is assigned a weight of 3 per cent. For this component, the poor population is defined as people who fall into the lowest 40 per cent of household incomes in the 2010/11 Income and Expenditure Survey. The estimated size of the poor population in each province is calculated by multiplying the proportion of people in that province who fall into the poorest 40 per cent of South African households by the province's population figure from the 2024 mid-year population estimates. Table W1.13 shows the proportion of the poor in each province from the Income and Expenditure Survey, the 2024 mid-year population estimates and the weighted share of the poverty component per province.

**Table W1.13 Comparison of current and new poverty component weighted shares**

| | | 2024 MTEF | | | 2025 MTEF | | | |
|---|---|---|---|---|---|---|---|---|
| Thousand | Income and Expendi-ture Survey 2011/12 | Mid-year population estimates 2023 | Poor popula-tion | Weighted shares | Mid-year population estimates 2024 | Poor popula-tion | Weighted shares | Difference in weighted shares |
| Eastern Cape | 52.0% | 6 677 | 3 474 | 14.4% | 7 176 | 3 734 | 14.8% | 0.4% |
| Free State | 41.4% | 2 922 | 1 209 | 5.0% | 3 044 | 1 260 | 5.0% | -0.0% |
| Gauteng | 28.9% | 16 099 | 4 648 | 19.3% | 15 932 | 4 599 | 18.3% | -1.0% |
| KwaZulu-Natal | 45.3% | 11 538 | 5 228 | 21.7% | 12 313 | 5 579 | 22.2% | 0.4% |
| Limpopo | 52.9% | 5 941 | 3 141 | 13.1% | 6 403 | 3 384 | 13.5% | 0.4% |
| Mpumalanga | 47.3% | 4 720 | 2 231 | 9.3% | 5 058 | 2 390 | 9.5% | 0.2% |
| Northern Cape | 40.8% | 1 309 | 534 | 2.2% | 1 373 | 560 | 2.2% | 0.0% |
| North West | 47.9% | 4 187 | 2 005 | 8.3% | 4 155 | 1 990 | 7.9% | -0.4% |
| Western Cape | 21.9% | 7 212 | 1 577 | 6.6% | 7 563 | 1 653 | 6.6% | 0.0% |
| **Total** | | **60 605** | **24 046** | **100.0%** | **63 016** | **25 150** | **100.0%** | **–** |

*Source: National Treasury*

## Economic activity component (1 per cent)

The economic activity component is a proxy for provincial tax capacity and expenditure assignments. Given that these assignments are a relatively small proportion of provincial budgets, the component is assigned a weight of 1 per cent. The economic activity component of the provincial equitable share formula for the 2023 and 2024 MTEF periods was not updated with the latest regional GDP figures due to Statistics South Africa's ongoing review of its calculation methodology. The regional GDP figures using the new methodology were published in September 2024. The 2025 MTEF provincial equitable share formula has been updated with this data. Table W1.14 shows the weighted shares of the economic activity component.

**Table W1.14 Current and new economic activity component weighted shares**

| | 2024 MTEF | | 2025 MTEF | | Difference in weighted shares |
|---|---|---|---|---|---|
| | GDP-R, 2019 (R million) | Weighted shares | GDP-R, 2023 (R million)[1] | Weighted shares | |
| Eastern Cape | 387 332 | 7.6% | 537 352 | 7.7% | 0.0% |
| Free State | 252 763 | 5.0% | 342 064 | 4.9% | -0.1% |
| Gauteng | 1 750 062 | 34.5% | 2 329 820 | 33.2% | -1.3% |
| KwaZulu-Natal | 806 843 | 15.9% | 1 137 671 | 16.2% | 0.3% |
| Limpopo | 374 064 | 7.4% | 535 582 | 7.6% | 0.3% |
| Mpumalanga | 381 915 | 7.5% | 549 466 | 7.8% | 0.3% |
| Northern Cape | 103 349 | 2.0% | 158 236 | 2.3% | 0.2% |
| North West | 329 363 | 6.5% | 449 149 | 6.4% | -0.1% |
| Western Cape | 691 934 | 13.6% | 984 653 | 14.0% | 0.4% |
| **Total** | **5 077 625** | **100.0%** | **7 023 994** | **100.0%** | **0.0%** |

*1. The latest available data on GDP-R is the 2019 series*
*Source: National Treasury*

## Full impact of data updates on the provincial equitable share

Table W1.15 shows the full impact of the data updates on the provincial equitable share per province after the six updated components have been added together. It compares the target shares for the 2024 and 2025 MTEF periods. The size of each province's share reflects the relative demand for provincial public services in that province. The changes in shares from 2024 to 2025 respond to changes in that demand. The details of how the data updates affect each component of the formula are described in detail in the sub-sections above.

**Table W1.15 Full impact of data updates on the equitable share**

| | 2024 MTEF weighted average | 2025 MTEF weighted average | Difference |
|---|---|---|---|
| Eastern Cape | 13.0% | 13.0% | 0.0% |
| Free State | 5.5% | 5.5% | -0.0% |
| Gauteng | 21.3% | 21.2% | -0.2% |
| KwaZulu-Natal | 20.2% | 20.2% | 0.1% |
| Limpopo | 11.6% | 11.7% | 0.1% |
| Mpumalanga | 8.2% | 8.3% | 0.0% |
| Northern Cape | 2.7% | 2.7% | 0.0% |
| North West | 7.1% | 7.1% | -0.1% |
| Western Cape | 10.3% | 10.3% | -0.0% |
| **Total** | **100.0%** | **100.0%** | **0.0%** |

*Source: National Treasury*

## Phasing in the formula

The annual updates to the official data used to calculate the provincial equitable share formula result in changes to each province's share of the available funds. These changes reflect the changing balance of service delivery demands among the provinces, and the annual data updates are vital to ensuring that allocations can respond to these changes. However, provinces need stable and predictable revenue streams to allow for sound planning. As such, the new shares calculated using the most recent data are phased in over the three-year MTEF period.

The equitable share formula data is updated every year, and a new target share for each province is calculated. The phase-in mechanism provides a smooth path to achieving the new weighted shares by the third year of the MTEF period. It takes the difference between the target weighted share for each province at the end of the MTEF period and the indicative allocation for 2025/26 published in the 2024 MTEF and closes the gap between these shares by a third in each year of the 2025 MTEF period. As a result, one third of the impact of the data updates is implemented in 2025/26 and two thirds in the indicative allocations for 2026/27. The updates are thus fully implemented in the indicative allocations for 2027/28.

## Allocations calculated outside the equitable share formula

In addition to allocations made through the formula, the provincial equitable share includes allocations that have been determined using other methodologies. These allocations are typically introduced when a new function or additional funding is transferred to provinces. National government indicates separately how much funding has been allocated to each province for this specific purpose. Funds are also added through this approach when a priority has been identified through the national budget process and provincial government performs the function or when a conditional grant is absorbed into the equitable share.

In 2025/26, R1.2 billion has been allocated to the provincial equitable share to support the continuation of the teacher assistants programme. Originally introduced in 2020 as part of the presidential employment initiative, this programme provided funding to provinces up until 2023/24. Through this funding, over 20 000 schools will benefit, resulting in the creation of 46 274 short-term jobs.

Table W1.16 provides a summary of the allocations made outside the provincial equitable share that carry through from previous financial years and a short description of how these amounts are allocated among provinces.

**Table W1.16 Allocations outside provincial equitable share formula**

| R thousand | 2024/25 Adjusted budget | 2025/26 Medium-term estimates | 2026/27 Medium-term estimates | 2027/28 Medium-term estimates | Allocation criteria |
|---|---|---|---|---|---|
| Food relief shift | 81 300 | 84 942 | 88 754 | 92 739 | Allocated equally among the provinces |
| Social worker employment grant shift | 273 433 | 285 683 | 298 502 | 311 907 | Allocated in terms of what provinces would have received had the grant continued |
| Substance abuse treatment grant shift | 95 096 | 99 356 | 103 814 | 108 476 | Allocated in terms of what provinces would have received had the grant continued |
| Municipal intervention | 106 228 | 110 987 | 115 967 | 121 175 | Allocated equally among the provinces |
| HIV prevention programmes | 124 370 | 129 941 | 135 772 | 141 869 | Allocated based on the non-profit organisations located in the 27 priority districts |
| Social worker additional support shift | 159 390 | 166 530 | 174 003 | 181 817 | Allocated according to areas of high prevalence of gender-based violence, substance abuse and issues affecting children |
| Sanitary Dignity Programme | 246 093 | 257 118 | 268 655 | 280 719 | Allocated proportionately based on the number of girl learners per province in quintiles 1 to 3 schools |
| Infrastructure delivery improvement programme shift | 51 401 | 53 703 | 56 113 | 58 633 | Allocated equally among the provinces |
| Education sector presidential employment initiative | – | 1 190 000 | – | – | Allocations are based on each provincial education department's projected capacity to employ assistants in schools in line with the objectives of the initiative |
| BFI: Coega | 632 000 | 848 000 | 307 000 | 115 000 | Allocated only to Eastern Cape |
| **Total** | **1 769 310** | **3 226 261** | **1 548 580** | **1 412 335** | |

*Source: National Treasury*

## Final provincial equitable share allocations

The final equitable share allocations per province for the 2025 MTEF period are detailed in Table W1.17. These allocations include the full impact of the data updates, phased in over three years, and the allocations that are made separately from the formula.

**Table W1.17 Provincial equitable share**

| R million | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|
| Eastern Cape | 82 452 | 85 665 | 89 502 |
| Free State | 34 836 | 36 305 | 37 876 |
| Gauteng | 133 979 | 138 934 | 144 161 |
| KwaZulu-Natal | 128 095 | 134 320 | 141 007 |
| Limpopo | 74 064 | 77 792 | 81 807 |
| Mpumalanga | 52 487 | 55 084 | 57 872 |
| Northern Cape | 17 111 | 17 924 | 18 793 |
| North West | 44 765 | 46 200 | 47 719 |
| Western Cape | 65 376 | 68 344 | 71 507 |
| **Total** | **633 166** | **660 569** | **690 243** |

*Source: National Treasury*

## Conditional grants to provinces

There are four types of provincial conditional grants:

- Schedule 4, part A grants supplement various programmes partly funded by provinces.
- Schedule 5, part A grants fund specific responsibilities and programmes implemented by provinces.
- Schedule 6, part A grants provide in-kind allocations through which a national department implements projects in provinces.
- Schedule 7, part A grants provide for the swift allocation and transfer of funds to a province to help it deal with a disaster.

## Changes to conditional grants

The overall growth in direct conditional transfers to provinces averages 3.3 per cent over the medium term. Direct conditional grant baselines total R134.6 billion in 2025/26, R137.9 billion in 2026/27 and R143.6 billion in 2027/28. Indirect conditional grants amount to R4.9 billion, R3 billion and R2.6 billion respectively for each year of the same period.

Table W1.18 provides a summary of conditional grants by sector for the 2025 MTEF period. More detailed information, including the framework and allocation criteria for each grant, is provided in the 2025 Division of Revenue Bill. The frameworks provide the conditions for each grant, the outputs expected, the allocation criteria used for dividing each grant between provinces and a summary of the grants' audited outcomes for 2023/24.

**Table W1.18 Conditional grants to provinces**

| R million | 2024/25 Revised estimate | 2025/26 | 2026/27 | 2027/28 | MTEF total |
|---|---|---|---|---|---|
| **Agriculture** | **2 580** | **2 457** | **2 516** | **2 642** | **7 615** |
| Comprehensive agricultural support programme | 2 041 | 1 685 | 1 709 | 1 799 | 5 193 |
| Ilima/Letsema projects | 448 | 677 | 708 | 740 | 2 126 |
| Land care programme: poverty relief and infrastructure development | 90 | 94 | 99 | 103 | 296 |
| **Basic Education** | **26 362** | **28 564** | **30 834** | **31 387** | **90 785** |
| Early childhood development | 1 589 | 1 947 | 2 136 | 2 238 | 6 320 |
| Education infrastructure | 14 002 | 15 285 | 16 847 | 16 762 | 48 894 |
| HIV and AIDS (life skills education) | 250 | 262 | 274 | 286 | 821 |
| Learners with profound intellectual disabilities | 279 | 293 | 306 | 320 | 920 |
| Maths, science and technology | 444 | 459 | 480 | 502 | 1 441 |
| National school nutrition programme | 9 798 | 10 319 | 10 791 | 11 279 | 32 389 |
| **Cooperative Governance** | **149** | **151** | **158** | **165** | **475** |
| Provincial disaster response | 149 | 151 | 158 | 165 | 475 |
| **Health** | **56 358** | **57 696** | **60 351** | **63 376** | **181 423** |
| District health programme grant | 27 963 | 28 339 | 29 643 | 30 983 | 88 965 |
| Health facility revitalisation | 7 158 | 7 246 | 7 578 | 8 215 | 23 039 |
| Human resources and training grant | 5 517 | 5 650 | 5 911 | 6 179 | 17 740 |
| National health insurance grant | 456 | 467 | 476 | 497 | 1 440 |
| National tertiary services | 15 264 | 15 995 | 16 744 | 17 501 | 50 239 |
| **Human Settlements** | **16 906** | **16 920** | **15 263** | **15 953** | **48 136** |
| Human settlements development | 13 655 | 14 150 | 14 333 | 14 981 | 43 464 |
| Informal settlements upgrading partnership | 3 251 | 2 770 | 930 | 972 | 4 672 |
| **Public Works and Infrastructure** | **617** | **627** | **656** | **686** | **1 969** |
| Social sector expanded public works programme incentive grant for provinces | 306 | – | – | – | – |
| Expanded public works programme integrated grant for provinces | 312 | 627 | 656 | 686 | 1 969 |
| **Sport, Arts and Culture** | **2 230** | **2 276** | **2 381** | **2 488** | **7 145** |
| Community library services | 1 612 | 1 649 | 1 725 | 1 803 | 5 176 |
| Mass participation and sport development | 618 | 627 | 656 | 686 | 1 969 |
| **Transport** | **24 979** | **25 933** | **25 700** | **26 863** | **78 496** |
| Provincial roads maintenance | 17 243 | 17 851 | 17 247 | 18 029 | 53 128 |
| Public transport operations | 7 735 | 8 082 | 8 452 | 8 834 | 25 369 |
| **Total direct conditional allocations** | **130 182** | **134 625** | **137 858** | **143 561** | **416 044** |
| **Indirect transfers** | **3 877** | **4 909** | **3 024** | **2 624** | **10 557** |
| **Basic Education** | **1 677** | **1 627** | **450** | **–** | **2 077** |
| School infrastructure backlogs | 1 677 | 1 627 | 450 | – | 2 077 |
| **Health** | **2 200** | **3 283** | **2 574** | **2 624** | **8 480** |
| National health insurance indirect | 2 200 | 3 283 | 2 574 | 2 624 | 8 480 |

*Source: National Treasury*

## Agriculture grants

The *comprehensive agricultural support programme grant* aims to support newly established and emerging farmers, particularly subsistence, smallholder and previously disadvantaged farmers. The grant funds a range of projects, including providing training, developing agri-processing infrastructure and directly supporting targeted farmers. The grant has been allocated R5.2 billion over the medium term.

Following the conditional grants review process, the *comprehensive agricultural support programme grant* and the *Ilima/Letsema projects grant* will be merged effective from the 2026 MTEF period. The merger will streamline administrative processes, reduce the workload on provincial departments, eliminate duplication of efforts in supporting smallholder and

subsistence farmers, and provide a more cohesive and comprehensive support system for beneficiaries. The National Treasury, in collaboration with the Department of Agriculture, will work on the redesign process throughout 2025/26. The conditional grant framework of the *Ilima/Letsema projects grant* has been amended to signal the pending merger to provinces.

The *Ilima/Letsema projects grant* aims to boost food production by helping previously disadvantaged farming communities. The grant has been allocated R2.1 billion over the medium term.

The *land care programme grant: poverty relief and infrastructure development* aims to improve productivity and the sustainable use of natural resources. Provinces are also encouraged to use this grant to create jobs through the Expanded Public Works Programme. The grant has been allocated R296 million over the medium term.

## Basic education grants

The *early childhood development grant* supports government's prioritisation of early childhood development, as envisioned in the National Development Plan. The grant aims to improve poor children's access to early childhood programmes and ensure that early childhood development centres have adequate infrastructure. A portion of the funds allocated for the maintenance component of the grant is unallocated for 2026/27 and 2027/28, as this will be informed by the outcomes of the infrastructure assessments that will be conducted in each province. The grant has been allocated R6.3 billion over the medium term.

The *education infrastructure grant* provides supplementary funding for ongoing infrastructure programmes in provinces. This includes maintaining existing infrastructure and building new infrastructure to ensure school buildings meet the required norms and standards. Provincial education departments go through a two-year planning process to be eligible to receive incentive allocations for infrastructure projects. The grant has been allocated R48.9 billion over the medium term. This allocation includes the funding that will be shifted from the *school infrastructure backlogs grant* from 2026/27.

To receive the 2025/26 incentive, the departments had to meet certain prerequisites in 2023/24 and have their infrastructure plans approved in 2024/25. The national Department of Basic Education and the National Treasury assessed the provinces' infrastructure plans. The national departments, provincial treasuries and provincial departments of basic education undertook a moderation process to agree on the final scores. Provinces needed a minimum score of 60 per cent to qualify for the incentive. Table W1.19 shows the final score and incentive allocation for each province.

In the 2024/25 adjustments budget, the grant was allocated funding for the Western Cape Rapid Schools Build Programme through the Budget Facility for Infrastructure. This project will continue to be funded over the 2025 MTEF period, with R1 billion allocated in 2025/26 and R1.3 billion in 2026/27.

**Table W1.19 Education infrastructure grant allocations**

| R thousand | Planning assessment results from 2024 | 2025/26 | | Final allocation for 2025/26 |
|---|---|---|---|---|
| | | Basic component | Incentive component | |
| Eastern Cape | 78% | 1 833 572 | 93 064 | 1 926 636 |
| Free State | 78% | 957 435 | 93 064 | 1 050 499 |
| Gauteng | 75% | 2 274 936 | 93 064 | 2 368 000 |
| KwaZulu-Natal | 84% | 2 396 532 | 93 064 | 2 489 596 |
| Limpopo | 77% | 1 474 135 | 93 064 | 1 567 199 |
| Mpumalanga | 75% | 1 273 650 | 93 064 | 1 366 714 |
| Northern Cape | 81% | 653 926 | 93 064 | 746 990 |
| North West | 80% | 1 266 219 | 93 064 | 1 359 283 |
| Western Cape | 88% | 2 317 235 | 93 064 | 2 410 299 |
| **Total** | | **14 447 640** | **837 580** | **15 285 220** |

*Source: National Treasury*

The national Department of Basic Education uses the indirect *school infrastructure backlogs grant* to replace unsafe and inappropriate school structures and to provide water, sanitation services and electricity on behalf of provinces.

Over the 2025 MTEF period, the *education infrastructure grant* (EIG) and the *school infrastructure backlogs grant* (SIBG) will be merged, as recommended by the conditional grants review process. Merging the two grants does not mean the objectives of the SIBG will no longer be considered. It is intended to improve the coordination of infrastructure delivery plans and programmes to ensure alignment in all the infrastructure projects. The Department of Basic Education will provide a comprehensive list of all ongoing and completed projects under the SIBG (including their current status, budget allocations and timelines) to help identify which projects can be seamlessly transitioned into the EIG.

The SIBG will be phased out incrementally over the MTEF period according to the following process:

- In 2025/26, the entire SIBG allocation is retained in the SIBG for the department to finish and close out the remaining accelerated school infrastructure delivery initiatives and sanitation appropriate for education projects, to cover the 2024/25 accruals and to complete the omitted scope projects.
- In 2026/27, a portion of the grant allocation will be retained in the SIBG to finalise the closeout of the projects, while the remaining allocations for capital payments are shifted to the EIG from 2026/27 onwards.
- The full allocation for compensation of employees in the SIBG will be shifted to the national department's compensation of employees from 2026/27 onwards to strengthen the department's oversight and monitoring capacity.

The remaining goods and services portion of the SIBG allocation will be shifted as follows:

- R46 million and R51.6 million is shifted to the department's goods and services to be earmarked allocations in 2026/27 and 2027/28 respectively to strengthen the department's infrastructure oversight and monitoring capacity.

- R40 million and R44 million is shifted to the department's goods and services to be earmarked allocations in 2026/27 and 2027/28 respectively for mother tongue-based bilingual education and early grade reading.
- R100 million and R110 million is shifted to the infrastructure portion of the *early childhood development grant* in 2026/27 and 2027/28 respectively.

The *national school nutrition programme grant* aims to improve the nutrition of poor school children, enhance their capacity to learn and increase their attendance at school. The programme provides a free daily meal to learners in the poorest schools (quintiles 1 to 3). Over the medium term, R32.4 billion has been allocated to the grant.

The *maths, science and technology grant* provides information and communications technology, workshop equipment and machinery to schools, which should lead to better outcomes in maths and science in the long term. Over the medium term, R1.4 billion has been allocated to the grant.

The *HIV and AIDS (life skills education) grant* provides for life skills training, and sexuality and HIV/AIDS education in primary and secondary schools. The programme is fully integrated into the school system, with learner and teacher support materials provided for Grades 1 to 9. Over the 2025 MTEF period, R821 million has been allocated to the grant.

The *learners with profound intellectual disabilities grant* aims to expand access to quality publicly funded education for such learners by recruiting outreach teams. A total of R920 million has been allocated to the grant over the medium term.

## Cooperative governance grant

The *provincial disaster response grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance. It is unallocated at the start of the financial year. The grant allows the National Disaster Management Centre to immediately release funds (in-year) after a disaster is classified, without the need for the transfers to be gazetted first. To ensure that sufficient funds are available in the event of a disaster, section 20 of the 2025 Division of Revenue Bill allows for funds allocated to the *municipal disaster response grant* to be transferred to provinces if funds in the *provincial disaster response grant* have already been exhausted, and vice versa. The bill also allows for more than one transfer to be made to areas affected by disasters, so that an initial payment for emergency aid can be made before a full assessment of damages and costs has been completed. Over the medium term, R475 million has been allocated to this grant.

## Health grants

The *district health programmes grant* consists of two main components: a comprehensive HIV/AIDS component and a district health component. The grant supports HIV/AIDS prevention programmes and specific interventions, including voluntary counselling and testing, prevention of mother-to-child transmission, post-exposure prophylaxis, antiretroviral therapy and home-based care. A total of R89 billion has been allocated to this grant over the medium term.

The *national tertiary services grant* provides strategic funding to enable provinces to plan, modernise and transform tertiary hospital service delivery in line with national policy objectives. The grant operates in 35 tertiary hospitals across the nine provinces and continues to fund medical specialists, equipment and advanced medical investigation and treatment according to approved service specifications. Patient referral pathways often cross provincial borders and, as a result, many patients receive care in neighbouring provinces if the required services are unavailable in their home province. The grant has been allocated R16 billion in 2025/26, R16.7 billion in 2026/27 and R17.5 billion in 2027/28.

A similar approach to allocating developmental funds is taken in the training component of the *human resources and training grant.* Further details on the amounts ring-fenced are discussed under this grant. The urban areas of Gauteng and the Western Cape continue to receive the largest share of the grant because they provide the largest proportion of high-level, sophisticated services.

The *health facility revitalisation grant* funds the construction and maintenance of health infrastructure, including large projects to modernise hospital infrastructure and equipment, general maintenance and infrastructure projects at smaller hospitals, and the refurbishment and upgrading of nursing colleges and schools. In 2027/28, R295 million has been approved through the Budget Facility for Infrastructure for the Tygerberg Hospital Redevelopment Public-Private Partnership (PPP). The funding is contingent on the finalisation of the PPP agreement and the submission of the final list of health technology costs. The grant has been allocated R7.2 billion in 2025/26, R7.6 billion in 2026/27 and R8.2 billion in 2027/28.

Like the *education infrastructure grant*, a two-year planning process is required for provinces to access this grant's incentive component. The national Department of Health and the National Treasury assessed the provinces' infrastructure plans. This was followed by a moderation process involving the national departments, provincial treasuries and provincial departments of health to agree on the final scores. Provinces needed a minimum score of 60 per cent to qualify for the incentive. Funds for the incentive component in the outer years are shown as unallocated. Table W1.20 sets out the final score and the incentive allocation per province.

**Table W1.20 Health facility revitalisation grant allocations**

| | Planning assessment results from 2024 | 2025/26 | | Final allocation for 2025/26 |
|---|---|---|---|---|
| R thousand | | Basic component | Incentive component | |
| Eastern Cape | 83% | 699 733 | 76 220 | 775 953 |
| Free State | 73% | 599 815 | – | 599 815 |
| Gauteng | 80% | 1 069 355 | 76 220 | 1 145 575 |
| KwaZulu-Natal | 95% | 1 441 700 | 76 220 | 1 517 920 |
| Limpopo | 79% | 546 122 | 76 220 | 622 342 |
| Mpumalanga | 87% | 397 902 | 76 220 | 474 122 |
| Northern Cape | 78% | 451 709 | 76 220 | 527 929 |
| North West | 80% | 611 385 | 76 220 | 687 605 |
| Western Cape | 89% | 818 225 | 76 220 | 894 445 |
| **Total** | | **6 635 945** | **609 760** | **7 245 705** |

*Source: National Treasury*

The *human resources and training grant* has two components. The training component funds the training of health sciences professionals, including specialists, registrars and their supervisors. The statutory human resources component funds internship and community service posts, as well as some posts previously funded from the equitable share. Additional funds have been allocated for the developmental portion of the grant. These funds have been allocated to the Eastern Cape, Limpopo, Mpumalanga, the Northern Cape and the North West. A total of R17.7 billion has been allocated to the grant over the medium term.

The *national health insurance indirect grant* continues to fund all preparatory work for universal health coverage, as announced in 2017/18. The grant has been allocated R3.3 billion in 2025/26, R2.6 billion in 2026/27 and R2.6 billion in 2027/28. The *national health insurance grant* continues to fund the contracting of health professionals in the former national health insurance pilot sites. The conditional grant allows provinces to pay contractors directly. In addition, the grant funds the provision of mental health services. Through the Budget Facility for Infrastructure, R858 million in 2025/26 and R259 million in 2026/27 has been approved for the Siloam District Hospital in Limpopo. The funding is subject to the finalisation of a socioeconomic analysis, a clear demand analysis and the funding structure of the project.

## Human settlements grants

The *human settlements development grant* addresses housing inadequacies and promotes sustainable human settlements. The Department of Human Settlements and the National Treasury will review the allocation methodology in 2025/26 to improve the grant's effectiveness.

This grant is allocated using a formula with three components:

- The first component shares 70 per cent of the total allocation between provinces in proportion to their portion of the total number of households living in inadequate housing. Data from the 2011 Census is used for the number of households in each province living in informal settlements, shacks in backyards and traditional dwellings. Given that not all traditional dwellings are inadequate, information from the 2010 General Household Survey on the proportion of traditional dwellings with damaged roofs and walls per province is used to adjust these totals so that only dwellings providing inadequate shelter are counted in the formula.
- The second component determines 20 per cent of the total allocation based on the share of poor households in each province. The number of households with an income of less than R1 500 per month is used to determine 80 per cent of the component and the share of households with an income of between R1 500 and R3 500 per month is used to determine the remaining 20 per cent. Data used in this component comes from the 2011 Census.
- The third component, which determines 10 per cent of the total allocation, is shared in proportion to the number of people in each province, as measured in the 2011 Census.

Table W1.21 shows how the *human settlements development grant* formula calculates the shares for each province and the metropolitan municipalities within the provinces. Section

12(6) of the Division of Revenue Act requires provinces to gazette how much they will spend within each accredited municipality (including the amounts transferred to that municipality and the amounts spent by the province in that municipal area). Funds for mining towns and disaster recovery are allocated separately from the formula.

The reliance on outdated data from the 2011 Census and 2010 General Household Survey is a notable limitation. More recent data is needed to ensure allocations reflect current realities. The planned review of the allocation methodology for the 2026 MTEF provides an opportunity to incorporate updated data sources, especially the 2024 Income and Expenditure Data survey.

**Table W1.21 Human settlements development grant formula calculation**

| Components<br>Description | Housing needs component<br>Weighted share of inadequate housing | Poverty component<br>Share of poverty | Population component<br>Share of population | Grant formula shares<br>Weighted share of grant formula |
|---|---|---|---|---|
| **Component weight** | | | | |
| **Eastern Cape** | **10.1%** | **13.9%** | **12.7%** | **11.1%** |
| Nelson Mandela Bay | 1.6% | 2.1% | 2.2% | 1.8% |
| Buffalo City | 2.2% | 1.6% | 1.5% | 2.0% |
| Other Eastern Cape municipalities | 6.3% | 10.2% | 9.0% | 7.3% |
| **Free State** | **5.9%** | **6.1%** | **5.3%** | **5.9%** |
| Mangaung | 1.4% | 1.5% | 1.4% | 1.5% |
| Other Free State municipalities | 4.4% | 4.6% | 3.9% | 4.4% |
| **Gauteng** | **30.9%** | **22.5%** | **23.7%** | **28.5%** |
| Ekurhuleni | 9.1% | 6.2% | 6.1% | 8.2% |
| City of Johannesburg | 10.5% | 8.0% | 8.6% | 9.8% |
| City of Tshwane | 6.8% | 4.8% | 5.6% | 6.3% |
| Other Gauteng municipalities | 4.5% | 3.5% | 3.4% | 4.2% |
| **KwaZulu-Natal** | **18.0%** | **19.0%** | **19.8%** | **18.4%** |
| eThekwini | 7.0% | 6.2% | 6.6% | 6.8% |
| Other KwaZulu-Natal municipalities | 11.0% | 12.8% | 13.2% | 11.6% |
| **Limpopo** | **4.4%** | **12.0%** | **10.4%** | **6.5%** |
| **Mpumalanga** | **6.2%** | **7.9%** | **7.8%** | **6.7%** |
| **Northern Cape** | **1.9%** | **2.0%** | **2.2%** | **2.0%** |
| **North West** | **10.0%** | **7.8%** | **6.8%** | **9.2%** |
| **Western Cape** | **12.7%** | **8.7%** | **11.2%** | **11.8%** |
| City of Cape Town | 9.3% | 5.5% | 7.2% | 8.3% |
| Other Western Cape municipalities | 3.4% | 3.2% | 4.0% | 3.4% |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

*Source: 2011 Census and General Household Survey*

Funds are ring-fenced within the *human settlements development grant* in 2025/26 to upgrade human settlements in mining towns in four provinces. These allocations respond to areas with significant informal settlement challenges, with a high proportion of economic activity based on the natural resources sector. Over the medium term, R43.5 billion has been allocated to this grant.

The *informal settlements upgrading partnership grant* intensifies efforts to upgrade informal settlements in partnership with communities. The grant is dedicated to increasing investment in upgrading existing informal settlements, which includes identifying informal settlements

for upgrades, providing households with tenure and providing municipal engineering services. The grant has been allocated R2.8 billion in 2025/26, R930 million in 2026/27 and R972 million in 2027/28.

## Public works and infrastructure grants

The *expanded public works programme (EPWP) integrated grant for provinces* incentivises provincial departments to use labour-intensive methods in infrastructure, environmental and other projects. Grant allocations are determined upfront based on the performance of provincial departments in meeting job targets in the preceding financial year. The *social sector EPWP incentive grant for provinces* rewards provinces for creating jobs in the preceding financial year in the areas of home-based care, early childhood development, adult literacy and numeracy, community safety and security, and sports programmes. The grant's allocation model incentivises provincial departments to participate in the EPWP and measures the performance of each province relative to its peers, providing additional incentives to those that perform well.

The National Treasury, in collaboration with the Presidency, is reviewing all public employment programmes. This review aims to explore the synergies between the public employment programmes and the EPWP programmes and ensure alignment between the programmes. From 2025/26, the *EPWP integrated grant for provinces* and the *social sector EPWP incentive grant for provinces* will be merged into one grant, the *EPWP integrated grant for provinces*. The merged allocations of the two grants amount to R627 million in 2025/26.

## Sport, arts and culture grants

The *community library services grant*, administered by the Department of Sport, Arts and Culture, aims to help South Africans access information to improve their socioeconomic situation. The grant is allocated to the relevant provincial department and administered by that department or through a service-level agreement with municipalities. In collaboration with provincial departments of basic education, the grant also funds libraries that serve both schools and the general public. Funds from this grant may be used to enable the shift of the libraries function between provinces and municipalities. A total amount of R5.2 billion has been allocated over the medium term.

The conditional grants review process also recommended incorporating the *community library services grant* into the provincial equitable share. Work on this integration is already under way in some of the provinces.

The incorporation of the grant into the provincial equitable share will be undertaken in a phased approach. The following process will be followed:

- The cost of employees component will be the first to be moved, at the end of 2025/26, while the capital component remains in the grant. Further engagements will take place over the course of 2025/26 to determine when the grant should be fully incorporated into the provincial equitable share.

- The building of new libraries while the incorporation is under way will be limited, with funding instead being redirected to library upgrades and maintenance. This approach will ensure that no new projects are affected, a formal handover of the infrastructure to provinces is undertaken and provinces are equally equipped to start implementing new projects.

The *mass participation and sport development grant* aims to increase and sustain mass participation in sport and recreational activities in the provinces, with greater emphasis on provincial and district academies. The grant has been allocated R627 million in 2025/26, R656 million in 2026/27 and R686 million in 2027/28.

### Transport grants

The *public transport operations grant* subsidises commuter bus services. It helps ensure that provinces meet their contractual obligations and provide services. Most of the contracts subsidised through this grant continue to operate on long-standing routes that link dormitory towns and suburbs established under apartheid to places of work. The grant allows provinces to renegotiate contracts and routes, and/or to assign the function and funding to municipalities. This provides an opportunity for routes to be restructured in line with new settlement patterns and to promote more integrated urban development patterns in future. A total of R25.4 billion has been allocated to the grant over the 2025 MTEF period.

The *provincial roads maintenance grant* is a supplementary grant that supports the cost of maintaining provincial roads. Provinces are expected to fund the construction of new roads from their own budgets and supplement the cost of maintaining and upgrading existing roads. Grant allocations are determined using a formula based on provincial road networks, road traffic and weather conditions. These factors reflect the varying costs of maintaining road networks in each province. The grant requires provinces to follow best practices for planning and to use and regularly update road asset management systems. A total of R53.1 billion has been allocated over the medium term.

The incentive portion of the grant is allocated based on performance indicators relating to traffic loads, safety engineering and visual condition indicators. Over the 2025 MTEF period, R94 million will be reprioritised from the *provincial roads maintenance grant*.

## PART 5: LOCAL GOVERNMENT FISCAL FRAMEWORK AND ALLOCATIONS

Funds raised by national government are transferred to municipalities through conditional grants and unconditional transfers. National transfers to municipalities are published to enable them to plan fully for their 2025/26 budgets and to promote better accountability and transparency by ensuring that all national allocations are included in municipal budgets.

This section outlines national transfers to local government for the 2025 MTEF period announced in the 2024 MTBPS and changes to the equitable share and conditional grants that were effected after it was tabled. Having taken the revisions to the local government fiscal framework into account, R552.7 billion will be transferred directly to local government and a further R24 billion has been allocated to indirect grants. Direct transfers to local government

over the medium-term account for 9.7 per cent of national government's non-interest expenditure.

**Table W1.22 Transfers to local government**

| R million | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|---|---|
| | Outcome | | | Adjusted budget | Medium-term estimates | | |
| **Direct transfers** | **135 625** | **150 699** | **157 650** | **169 803** | **176 825** | **185 112** | **190 804** |
| **Equitable share and related** | **76 169** | **83 938** | **92 262** | **101 178** | **106 087** | **110 661** | **115 666** |
| Equitable share formula[1] | 69 197 | 76 649 | 84 694 | 93 460 | 98 063 | 102 295 | 106 926 |
| RSC levy replacement | 5 963 | 6 249 | 6 524 | 6 647 | 6 909 | 7 207 | 7 533 |
| Support for councillor remuneration and ward committees | 1 009 | 1 040 | 1 044 | 1 071 | 1 115 | 1 160 | 1 206 |
| **General fuel levy sharing with metros** | **14 617** | **15 335** | **15 433** | **16 127** | **16 849** | **17 621** | **18 418** |
| **Conditional grants** | **44 839** | **51 426** | **49 955** | **52 499** | **53 889** | **56 830** | **56 720** |
| Infrastructure | 42 635 | 48 992 | 47 294 | 50 427 | 52 164 | 55 026 | 54 835 |
| Capacity building and other | 2 204 | 2 434 | 2 661 | 2 072 | 1 725 | 1 804 | 1 885 |
| **Indirect transfers** | **7 638** | **7 182** | **8 209** | **7 127** | **7 863** | **7 866** | **8 222** |
| Infrastructure | 7 592 | 7 118 | 8 062 | 6 954 | 7 863 | 7 866 | 8 222 |
| Capacity building and other | 46 | 64 | 147 | 173 | – | – | – |
| **Total** | **143 262** | **157 880** | **165 859** | **176 930** | **184 688** | **192 978** | **199 026** |

*1. Outcome figures for the equitable share reflect amounts transferred after funds have been withheld to offset underspending by municipalities on conditional grants. Rollover funds are reflected in the year in which they were transferred*

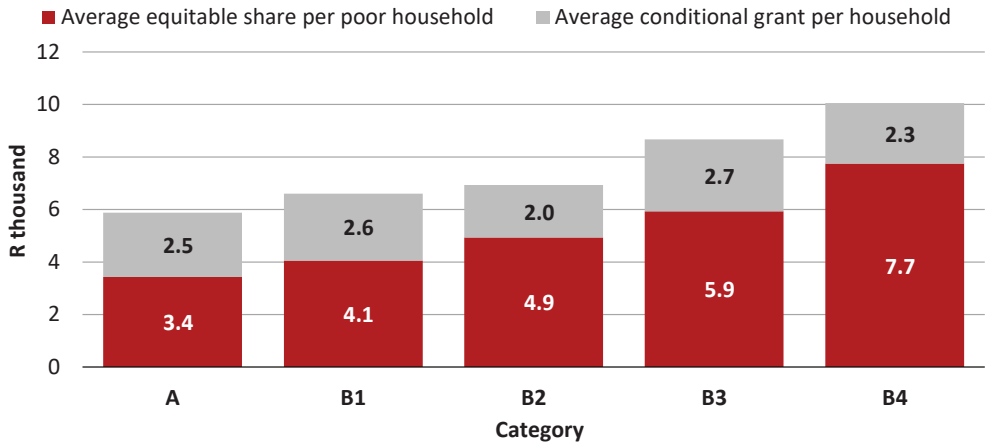
*Source: National Treasury*

The local government fiscal framework is designed to respond to the constitutional assignment of powers and functions to municipalities, encompassing all resources available to meet their expenditure responsibilities. National transfers form a relatively small portion of this framework, with municipalities primarily relying on their own substantial revenue-raising powers. However, this varies significantly, with poor rural municipalities depending heavily on transfers, while urban municipalities generate most of their own revenue. Consequently, transfers per household to rural municipalities are more than double those to metropolitan municipalities.

However, the dynamics are rapidly shifting. Developments in the energy sector are placing increasing pressure on electricity sales as a key revenue source, even for larger municipalities. This has led to a growing reliance on the fiscus, forcing metros to compete with rural municipalities for limited national revenues. Compounding this are inefficiencies in revenue collection, the affordability of services and rising expenditures, all of which have placed the local government fiscal framework under intense pressure.

As municipalities face these mounting challenges, the framework must adapt to ensure financial sustainability and equitable service delivery across diverse contexts. The evolving energy landscape, coupled with structural inefficiencies, underscores the need for reforms to strengthen the resilience and effectiveness of local government financing.

**Figure W1.2 Per household allocations to municipalities, 2025/26***




**Reflects funds allocated through the Division of Revenue Bill. Allocations to district municipalities are re-assigned to local municipalities where possible*
*Source: National Treasury*

## Changes to local government allocations

Several changes to local government allocations proposed in the 2024 MTBPS have been endorsed. Key adjustments include the reprioritisation of R408 million in 2025/26 from the *public transport network grant* to the Taxi Relief Fund to extend the programme, and the reprioritisation of R40 million over the 2025 MTEF period from the *integrated national electrification (Eskom) grant* to complete the National Electrification Master Plan.

Since the tabling of the 2024 MTBPS, several other changes have been proposed. These include:

- Shifting R245 million over the MTEF period from the *municipal infrastructure grant* to the *integrated urban development grant*. This follows Alfred Duma Local Municipality qualifying to participate in the *integrated urban development grant*.
- Shifting R494 million in 2025/26 from the direct component of the *municipal infrastructure grant* to the indirect component to address wastewater infrastructure issues in 21 municipalities.
- Introducing a new *urban development financing grant*. The baseline of this grant is funded from the metro component of the *neighbourhood development partnership grant* (R924 million over the MTEF period) and 80 per cent of the *programme and project preparation support grant* (R981 million over the MTEF period).
- An additional R450 million in 2025/26, from the Public Employment Programme, to the *urban development financing grant* to fund the extension of city-led employment programmes.
- Additional funding from the Budget Facility for Infrastructure that will flow through the *urban development financing grant* as follows:

- City of Johannesburg: R578 million in 2026/27 and R533 million in 2027/28 for a wastewater project.
- eThekwini Metropolitan Municipality: R56 million in 2025/26, R109 million in 2026/27 and R101 million in 2027/28 for a project to address non-revenue water.

- Merging the non-metro component of the *neighbourhood development partnership grant* and the remaining 20 per cent of the *programme and project preparation support grant* into a single grant, with a baseline of R1.4 billion over the MTEF period.
- A reduction of R435 million in 2025/26 and increases of R425 million in 2026/27 and R660 million in 2027/28 to the *public transport network grant* to align with the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi programme, funded from the Budget Facility for Infrastructure.
- An additional R225 million in 2026/27 to the *regional bulk infrastructure grant* allocation for Drakenstein Local Municipality. This adjustment, carried through from the 2024 Division of Revenue Amendment Act, aligns with the municipality's revised implementation plan and cash flow projections.
- Discontinuing the *municipal systems improvement grant*. Its baseline will be redirected to the Department of Cooperative Governance and earmarked for national government to support municipalities.

The changes to each local government allocation are summarised in Table W1.23.

**Table W1.23 Revisions to direct and indirect transfers to local government**

| R million | 2025/26 | 2026/27 | 2027/28 | 2025 MTEF total revisions |
|---|---|---|---|---|
| **Technical adjustments** | **-435** | **425** | **660** | **650** |
| **Direct transfers** | **-929** | **425** | **660** | **156** |
| **Conditional grants** | **-929** | **425** | **660** | **156** |
| Integrated urban development | 76 | 83 | 86 | 245 |
| Municipal infrastructure | -570 | -83 | -86 | -739 |
| Neighbourhood development partnership | -127 | -270 | -282 | -679 |
| Urban development financing | 518 | 678 | 709 | 1 905 |
| Public transport network | -435 | 425 | 660 | 650 |
| Programme and project preparation support | -391 | -409 | -427 | -1 227 |
| **Indirect transfers** | **494** | **–** | **–** | **494** |
| Municipal infrastructure | 494 | – | – | 494 |
| **Additions** | **506** | **912** | **634** | **2 052** |
| **Direct transfers** | **506** | **912** | **634** | **2 052** |
| **Conditional grants** | **506** | **912** | **634** | **2 052** |
| Urban development financing | 506 | 687 | 634 | 1 827 |
| Regional bulk infrastructure | – | 225 | – | 225 |
| **Reductions to baselines** | **-579** | **-168** | **-175** | **-923** |
| **Direct transfers** | **-408** | **–** | **–** | **-408** |
| **Conditional grants** | **-408** | **–** | **–** | **-408** |
| Public transport network | -408 | – | – | -408 |
| **Indirect transfers** | **-171** | **-168** | **-175** | **-515** |
| Integrated national electrification programme | -20 | -10 | -10 | -40 |
| Municipal systems improvement | -151 | -158 | -165 | -475 |
| **Total change to local government allocations** | | | | |
| Change to direct transfers | -831 | 1 337 | 1 294 | 1 800 |
| Change to indirect transfers | 323 | -168 | -175 | -21 |
| **Net change to local government allocations** | **-508** | **1 169** | **1 119** | **1 779** |

*Source: National Treasury*

Having taken these revisions into account, local government allocations increase by R1.8 billion over the 2025 MTEF period. Direct allocations to municipalities over the next three years grow at an average annual rate of 4 per cent. Indirect allocations grow at an average annual rate of 4.9 per cent.

## The local government equitable share

In terms of section 227 of the Constitution, local government is entitled to an equitable share of nationally raised revenue to enable it to provide basic services and perform its allocated functions. The local government equitable share is an unconditional transfer that supplements the revenue that municipalities can raise themselves (including revenue raised through property rates and service charges). The equitable share provides funding for municipalities to deliver free basic services to poor households and subsidises the cost of administration and other core services for those municipalities with the least potential to cover these costs from their own revenues.

Over the 2025 MTEF period, the local government equitable share, including the Regional Service Council/Joint Service Board (RSC/JSB) levies replacement grant and the special support for councillor remuneration and ward committees grant, amounts to R332.4 billion (R106.1 billion in 2025/26, R110.7 billion in 2026/27 and R115.7 billion in 2027/28).

**ANNEXURE W1**
**EXPLANATORY MEMORANDUM TO THE DIVISION OF REVENUE**

## Formula for allocating the local government equitable share

The portion of national revenue allocated to local government through the equitable share is determined in the national budget process and endorsed by Cabinet (the vertical division). Local government's equitable share is divided among the country's 257 municipalities, using a formula to ensure objectivity (the horizontal division). The principles and objectives of the formula are set out in detail in the Explanatory Memorandum to the 2013 Division of Revenue.

## Structure of the local government equitable share formula

The formula uses demographic and other data to determine each municipality's portion of the local government equitable share. It has three parts, made up of five components:

- The first part of the formula consists of the *basic services component*, which provides for the cost of free basic services for poor households.
- The second part enables municipalities with limited resources to afford basic administrative and governance capacity and perform core municipal functions. It does this through three components:
  - The *institutional component* provides a subsidy for basic municipal administrative costs.
  - The *community services component* provides funds for other core municipal services not included under basic services.
  - The *revenue adjustment factor* ensures that funds from this part of the formula are only provided to municipalities with limited potential to raise their own revenue. Municipalities that are least able to fund these costs from their own revenues should receive the most funding.
- The third part of the formula provides predictability and stability through the *correction and stabilisation factor*, which ensures that all of the formula's guarantees can be met.

Each of these components is described in detail in the sub-sections that follow.

**Structure of the local government equitable share formula**

$$LGES = BS + (I + CS) \times RA \pm C$$

*where*
***LGES*** is the local government equitable share
***BS*** is the basic services component
***I*** is the institutional component
***CS*** is the community services component
***RA*** is the revenue adjustment factor
***C*** is the correction and stabilisation factor

## The basic services component

This component helps municipalities provide free basic water, sanitation, electricity and refuse removal services to households that fall below an affordability threshold. Following municipal consultation, the formula's affordability measure (used to determine how many households need free basic services) is based on the level of two state old age pensions. When the 2011 Census was conducted, the state old age pension was worth R1 140 per month, which means that two pensions were worth R2 280 per month. A monthly household income of R2 300 per month in 2011 has therefore been used to define the formula's affordability threshold. Statistics South Africa has calculated that 59 per cent of all households in South Africa fall below this income threshold. However, the proportion in each municipality varies widely. In 2025 terms, this monthly income is equivalent to about R4 619 per month.

The threshold is not an official poverty line or a required level to be used by municipalities in their own indigence policies. If municipalities choose to provide fewer households with free basic services than they are funded for through the local government equitable share, then their budget documentation should clearly set out why they have made this choice and how they have consulted with their community during the budget process.

The number of households per municipality, as well as the number below the poverty threshold, is updated annually using the most recent official data available. However, for the 2025 MTEF, the household numbers will not be updated with the outcomes of the 2024 mid-year population estimates (the latest official data published by Statistics South Africa) because the population estimates do not incorporate the 2022 Census results.

This decision was informed by discussions in several intergovernmental forums, including the Local Government Equitable Share Working Group, the Technical Budget Forum, the Technical Committee for Finance and the Budget Forum. These forums collectively agreed to pause the growth of household numbers over the 2025 MTEF period to allow Statistics South Africa to finalise a new data series rebased on the 2022 Census.

As a result, the local government equitable share formula for the 2025 MTEF period will continue to use the 2023/24 household estimates from the 2024 MTEF formula. This approach ensures stability in municipal allocations until the new, Census-rebased data series becomes available.

The proportion of households below the affordability threshold in each municipality is still based on 2011 Census data. This is because the release of the 2023 Income and Expenditure Survey data was delayed, and the data has not been released at the municipal level to enable updates to the local government equitable share formula for the 2025 Division of Revenue Bill. Over the 2025 MTEF period, the subsidy is allocated to 100 per cent of the households below the poverty threshold. In 2025/26, the basic services subsidy will fund 11.2 million households.

The basic services component provides a subsidy of R609.70 per month in 2025/26 for the cost of providing basic services to each of these households. The subsidy includes funding for the provision of free basic water (six kilolitres per poor household per month), energy (50 kilowatt-hours per month) and sanitation and refuse removal (based on service levels

defined by national policy). The monthly amount provided for each service is detailed in Table W1.24 and includes an allocation of 10 per cent for service maintenance costs.

**Table W1.24 Amounts per basic service allocated through the local government equitable share, 2025/26**

| | Allocation per household below affordability threshold (R per month) | | | Total allocation per service (R million) |
|---|---|---|---|---|
| | Operations | Maintenance | Total | |
| Energy | 135.0 | 15.0 | 150.0 | 20 131 |
| Water | 192.4 | 21.4 | 213.8 | 28 681 |
| Sanitation | 120.4 | 13.4 | 133.8 | 17 946 |
| Refuse removal | 100.9 | 11.2 | 112.1 | 15 044 |
| **Total basic services** | **548.7** | **61.0** | **609.7** | **81 802** |

*Source: National Treasury*

The formula uses the fairest estimates of the average costs of providing each service that could be derived from available information. More details of how the costs were estimated can be found in the discussion paper on the proposed structure of the new local government equitable share formula, available on the National Treasury website. The per household allocation for each of the basic services in Table W1.24 is updated annually based on the following factors.

The electricity cost estimate is made up of bulk and other costs. Bulk electricity costs will increase by 12.7 per cent in 2025/26 and 5.3 per cent in 2026/27. They are updated based on the bulk multi-year price determination approved by the National Energy Regulator of South Africa for period 6. The increase for the outer year, along with other (non-bulk) electricity costs, is updated based on the National Treasury's inflation projections in the 2024 MTBPS (4.52 per cent).

The water cost estimate is also made up of bulk and other costs. Bulk water costs are updated based on the average increase in bulk tariffs charged by water boards (although not all municipalities purchase bulk water from water boards, their price increases serve as a proxy for the cost increases for all municipalities). The average increase in tariffs for bulk water from water boards is calculated at 11.1 per cent for 2025/26 and 2026/27. The increase for the outer year and other (non-bulk) water costs are updated based on the National Treasury's inflation projections in the 2024 MTBPS (4.52 per cent).

The estimated costs for sanitation and refuse removal are updated based on the National Treasury's inflation projections in the 2024 MTBPS (4.52 per cent).

The basic services component allocation to each municipality is calculated by multiplying the monthly subsidy per household by the updated number of households below the affordability threshold in each municipal area.

**The basic services component**

*BS = basic services subsidy x number of poor households*

Funding for each basic service is allocated to the municipality (metro, district or local) that is authorised to provide that service. If another municipality provides a service on behalf of the

authorised municipality, it must transfer funds to the provider in terms of section 28 of the Division of Revenue Act. The basic services component is worth R81.8 billion in 2025/26 and accounts for 83.4 per cent of the value of the local government equitable share formula allocation.

## The institutional component

To provide basic services to households, municipalities need to be able to run a basic administration. Most municipalities should be able to fund the majority of their administration costs with their own revenue. But because poor households are unable to contribute in full, the equitable share includes an institutional support component to help meet some of these costs. To ensure that this component supports municipalities with limited revenue-raising abilities, a revenue adjustment factor is applied so that municipalities with less potential to raise their own revenue receive a larger proportion of the allocation. The revenue adjustment factor is described in more detail later in this annexure.

In 2025/26, this component consists of a base allocation of R9 million, and an additional amount that is based on the number of council seats in each municipality. The number of council seats accounts for the councillor numbers that took effect on the date of the 2021 local government elections. This component reflects the relative size of a municipality's administration and is not intended to fund the costs of councillors only (the Minister of Cooperative Governance and Traditional Affairs determines the number of seats recognised for the formula). The base allocation acknowledges that all municipalities have some fixed costs.

**The institutional component**

*I = base allocation + [allocation per councillor x number of council seats]*

The institutional component accounts for 6.6 per cent of the local government equitable share formula and is worth R6.5 billion in 2025/26. This component is also complemented by special support for councillor remuneration in poor municipalities, which is not part of the equitable share formula.

## The community services component

This component funds services that benefit communities rather than individual households (which are provided for in the basic services component). It includes funding for municipal health services, fire services, municipal roads, cemeteries, planning, stormwater management, street lighting and parks. To ensure this component assists municipalities with limited revenue-raising abilities, a revenue adjustment factor is applied so that these municipalities receive a larger proportion of the allocation.

The allocation for this component is split between district and local municipalities, which both provide community services. In 2025/26, the allocation to district municipalities for municipal health and related services is R13 per household per month. The component's remaining

funds are allocated to local and metropolitan municipalities for other services, based on the number of households in each municipality.

**The community services component**
*CS = [municipal health and related services allocation x number of households] + [other services allocation x number of households]*

The community services component accounts for 10 per cent of the local government equitable share formula and is worth R9.8 billion in 2025/26.

## The revenue adjustment factor

The Constitution gives local government substantial revenue-raising powers (particularly through property rates and surcharges on services). Municipalities are expected to fund most of their own administrative costs and cross-subsidise some services for indigent residents. Given the varied levels of poverty across South Africa, the formula does not expect all municipalities to be able to generate similar amounts of own revenue. A revenue adjustment factor is applied to the institutional and community services components of the formula to ensure that the funds assist municipalities that are least likely to be able to fund these functions from their own revenue.

To account for the varying fiscal capacities of municipalities, this component is based on a per capita index using the following factors from the 2011 Census:

- Total income of all individuals/households in a municipality (as a measure of economic activity and earning).
- Reported property values.
- Number of households on traditional land.
- Unemployment rate.
- Proportion of poor households as a percentage of the total number of households in the municipality.

Based on this index, municipalities were ranked according to their per capita revenue-raising potential. The top 10 per cent of municipalities have a revenue adjustment factor of zero, which means that they do not receive an allocation from the institutional and community services components. The 25 per cent of municipalities with the lowest scores have a revenue adjustment factor of 100 per cent, which means that they receive their full allocation from the institutional and community services components. Municipalities between the bottom 25 per cent and top 10 per cent have a revenue adjustment factor applied on a sliding scale, so that those with higher per capita revenue-raising potential receive a lower revenue adjustment factor and those with less potential have a larger revenue adjustment factor.

The revenue adjustment factor is not based on the actual revenues that municipalities collect. This ensures that this component does not create a perverse incentive for municipalities to under-collect revenue to receive a higher equitable share.

Because district municipalities do not collect revenue from property rates, the revenue adjustment factor applied to these municipalities is based on the *RSC/JSB levies replacement grant* allocations. This grant replaces a source of own revenue previously collected by district municipalities and it is still treated as an own revenue source in many respects. Similar to the revenue adjustment factor for local and metropolitan municipalities, the factor applied to district municipalities is based on their per capita *RSC/JSB levies replacement grant* allocations. District municipalities are given revenue adjustment factors on a sliding scale – those with a higher per capita *RSC/JSB levies replacement grant* allocation receive a lower revenue adjustment factor, while those with lower allocations have a higher revenue adjustment factor.

## Correction and stabilisation factor

Providing municipalities with predictable and stable equitable share allocations is one of the principles of the equitable share formula. Indicative allocations are published for the second and third years of the MTEF period to ensure predictability. To provide stability for municipal planning while giving national government flexibility to account for overall budget constraints and amend the formula, municipalities are guaranteed to receive at least 90 per cent of the indicative allocation for the middle year of the MTEF period.

## Ensuring the formula balances

The formula is structured so that all of the available funds are allocated. The basic services component is determined by the number of poor households per municipality and the estimated cost of free basic services, so it cannot be manipulated. This means that balancing the formula to the available resources must take place in the second part of the formula, which includes the institutional and community services components. The formula automatically determines the value of the allocation per council seat in the institutional component and the allocation per household for other services in the community services component to ensure that it balances. Increases in the cost of providing basic services can result in lower institutional and community services allocations.

## Details of new allocations

In addition to the three-year formula allocations published in the Division of Revenue Bill, a copy of the formula, including the data used for each municipality and each component, is published online (http://mfma.treasury.gov.za/Media_Releases/LGESDiscussions/Pages/default.aspx).

## Other unconditional allocations

*RSC/JSB levies replacement grant*

Before 2006, district municipalities raised levies on local businesses through a Regional Services Council (RSC) or Joint Services Board (JSB) levy. This source of revenue was replaced in 2006/07 with the *RSC/JSB levies replacement grant*, which was allocated to all district and metropolitan municipalities based on the amounts they had previously collected through the

levies. The *RSC/JSB levies replacement grant* for metropolitan municipalities has since been replaced by the sharing of the general fuel levy.

The *RSC/JSB levies replacement grant* allocations are based on projected inflation. This allocation methodology will be in place until the Department of Cooperative Governance finalises its review of section 84 of the Municipal Structures Act (1998) to clarify and streamline the powers and functions of district municipalities. The review should inform the development of an appropriate funding model for district municipalities. The grant is allocated R21.6 billion over the 2025 MTEF period and grows at an average annual rate of 4.3 per cent.

## Special support for councillor remuneration and ward committees

Councillors' salaries are subsidised in poor municipalities. The total value of the support provided in 2025/26 is R1.1 billion, calculated separately to the local government equitable share and in addition to the funding for governance costs provided in the institutional component. The level of support for each municipality is allocated based on a system gazetted by the Minister of Cooperative Governance and Traditional Affairs, which classifies municipal councils into six grades based on their total income and population size. Special support is provided to the lowest three grades of municipal councils (the smallest and poorest municipalities).

A subsidy of 90 per cent of the gazetted maximum remuneration for a part-time councillor is provided for every councillor in grade 1 municipalities, 80 per cent for grade 2 municipalities and 70 per cent for grade 3 municipalities. In addition to this support for councillor remuneration, each local municipality in grades 1 to 3 receives an allocation to provide stipends of R500 per month to 10 members of each ward committee in their municipality. Each municipality's allocation for this special support is published in the Division of Revenue Bill appendices.

## Conditional grants to local government

National government allocates funds to local government through a variety of conditional grants. These grants fall into two main groups: infrastructure and capacity building. The total value of conditional grants directly transferred to local government grows from R53.9 billion in 2025/26 to R56.8 billion in 2026/27 and declines slightly to R56.7 billion in 2027/28.

There are four types of local government conditional grants:

- Schedule 4, part B sets out general grants that supplement various programmes partly funded by municipalities.
- Schedule 5, part B grants fund specific responsibilities and programmes implemented by municipalities.
- Schedule 6, part B grants provide in-kind allocations through which a national department implements projects in municipalities.

- Schedule 7, part B grants provide for the swift allocation and transfer of funds to a municipality to help it deal with a disaster.

## Infrastructure conditional grants to local government

National transfers for infrastructure, including indirect or in-kind allocations to entities executing specific projects in municipalities, amount to R186 billion over the 2025 MTEF period.

**Table W1.25 Infrastructure grants to local government**

| R million | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|---|---|
| | Outcome | | | Adjusted budget | Medium-term estimates | | |
| **Direct transfers** | **42 635** | **48 992** | **47 294** | **50 427** | **52 164** | **55 026** | **54 835** |
| Integrated urban development | 1 009 | 1 085 | 1 172 | 1 146 | 1 278 | 1 386 | 1 449 |
| Municipal disaster recovery | – | 3 319 | 1 335 | 1 425 | 709 | – | – |
| Municipal infrastructure | 15 593 | 16 842 | 16 342 | 17 054 | 17 358 | 19 361 | 20 236 |
| Informal settlements upgrading partnership | 3 945 | 4 273 | 4 059 | 4 515 | 4 717 | 4 934 | 5 157 |
| Urban settlements upgrading | 7 405 | 7 352 | 7 596 | 8 705 | 9 250 | 9 819 | 9 327 |
| Energy efficiency and demand-side management | 221 | 223 | 224 | 236 | 246 | 258 | 269 |
| Integrated national electrification programme | 2 002 | 2 120 | 2 032 | 1 746 | 1 697 | 1 655 | 1 729 |
| Neighbourhood development partnership | 1 318 | 1 293 | 1 346 | 1 291 | 542 | 430 | 450 |
| Urban development financing | – | – | – | – | 1 024 | 1 365 | 1 343 |
| Public transport network | 5 175 | 6 013 | 6 194 | 6 523 | 7 241 | 8 044 | 7 099 |
| Rural roads asset management systems | 110 | 115 | 115 | 121 | 126 | 132 | 138 |
| Regional bulk infrastructure | 2 237 | 2 656 | 3 259 | 3 627 | 3 757 | 3 230 | 3 026 |
| Water services infrastructure | 3 620 | 3 701 | 3 620 | 4 038 | 4 219 | 4 412 | 4 611 |
| **Indirect transfers** | **7 592** | **7 118** | **8 062** | **6 954** | **7 863** | **7 866** | **8 222** |
| Municipal infrastructure | – | – | – | 58 | 494 | – | – |
| Integrated national electrification programme | 2 824 | 3 588 | 3 518 | 2 196 | 2 274 | 2 390 | 2 498 |
| Neighbourhood development partnership | 181 | 190 | 189 | 95 | 99 | 104 | 108 |
| Smart meters | – | – | – | 500 | 650 | 800 | 836 |
| Regional bulk infrastructure | 3 857 | 2 725 | 3 240 | 3 058 | 3 227 | 3 232 | 3 378 |
| Water services infrastructure | 730 | 615 | 1 114 | 1 047 | 1 119 | 1 341 | 1 402 |
| **Total** | **50 227** | **56 110** | **55 356** | **57 381** | **60 027** | **62 892** | **63 057** |

*Source: National Treasury*

## Municipal infrastructure grant

The largest infrastructure transfer to municipalities is made through the *municipal infrastructure grant*, which supports government's aim to expand service delivery and alleviate poverty. The grant funds the provision of infrastructure for basic services, roads and social infrastructure for poor households in all non-metropolitan municipalities. The total allocations for this grant amount to R57 billion over the medium term and grow at an average annual rate of 5.9 per cent. The *municipal infrastructure grant* is allocated through a formula with a vertical and horizontal division. The vertical division allocates resources between sectors and the horizontal division takes account of poverty, backlogs and municipal powers

and functions in allocating funds to municipalities. The five main components of the formula are described in the box that follows.

**Municipal infrastructure grant = C + B + P + E + N**

**C** Constant to ensure a minimum allocation for small municipalities (this allocation is made to all municipalities)

**B** Basic residential infrastructure (proportional allocations for water supply and sanitation, roads and other services such as street lighting and solid waste removal)

**P** Public municipal service infrastructure (including sport infrastructure)

**E** Allocation for social institutions and micro-enterprise infrastructure

**N** Allocation to the 27 priority districts identified by government

Allocations for the water and sanitation sub-components of the basic services component are based on the proportion of the national backlog for that service in each municipality. Other components are based on the proportion of the country's poor households located in each municipality. The formula considers poor households without access to services that meet sector standards to be a backlog.

**Table W1.26 Data used in the municipal infrastructure grant formula**

| Component | Input for horizontal calculation | Proxy used in 2025 (corresponding with data available from 2011 Census) |
|---|---|---|
| B | Number of water backlogs | Water access: Poor households[1] report having access to piped water inside their dwelling, in the yard or within 200 meters of their dwelling |
| | Number of sanitation backlogs | Sanitation access: Poor households report flush toilet, chemical toilet, pit toilet with ventilation or ecological toilet |
| | Number of road backlogs | Roads backlog: Number of households |
| | Number of other backlogs | Refuse access: Poor households report that refuse is mainly removed by local authorities or a private company once a week (urban, traditional and farms). It should be noted that acceptable services standards differ by area. For traditional and farms the following conditions apply: removed by local authority / private company / community members less than once a week, communal refuse dump and communal contained / central collection point. For farms the following further addition applies: own refuse dump |
| P | Number of poor households | Number of poor households |
| E | Number of poor households | Number of poor households |
| N | Number of poor households in nodal areas | Allocated to the 27 priority districts identified by Cabinet as having large backlogs. Allocation is based on total households (not poor households) |

*1. Poor household defined as a monthly household income of less than R2 300 per month in 2011 Census data*
*Source: National Treasury*

Table W1.27 sets out the proportion of the grant accounted for by each component of the formula. The constant component provides a R5 million base to all municipalities receiving *municipal infrastructure grant* allocations. However, from the 2026 MTEF, this base allocation will be increased in line with inflation to keep up with rising infrastructure costs. This reform emanates from the conditional grants review process, which was concluded in 2024. Please see Part 6 for further details regarding the review.

**Table W1.27 Municipal infrastructure grant allocations per sector**

| Municipal infrastructure grant (formula) | Component weights | Value of component 2025/26 (R million)[1] | Proportion of municipal infrastructure grant per sector |
|---|---|---|---|
| **B-component** | **75.0%** | **12 240** | **68.6%** |
| Water and sanitation | 72.0% | 8 812 | 49.4% |
| Roads | 23.0% | 2 815 | 15.8% |
| Other | 5.0% | 612 | 3.4% |
| **P-component** | **15.0%** | **2 448** | **13.7%** |
| Sports | 33.0% | 808 | 4.5% |
| **E-component** | **5.0%** | **816** | **4.6%** |
| **N-component** | **5.0%** | **816** | **4.6%** |
| **Constant** | | **1 080** | **6.0%** |
| **Ring-fenced funding for sport infrastructure** | | **452** | **2.5%** |
| **Total** | | **17 851** | **100.0%** |

*1. Inclusive of the indirect component of the grant*
*Source: National Treasury*

The *municipal infrastructure grant* includes an amount allocated outside of the grant formula and earmarked for specific sport infrastructure projects identified by the Department of Sport, Arts and Culture. These earmarked funds amount to R1.4 billion over the 2025 MTEF period (R452 million in each year of the three-year period). While ringfencing funds can ensure national priorities are addressed, the conditional grants review highlighted its impact on locally determined priorities. Consequently, the review proposes eliminating the ringfencing of the sports component in this grant. This change will enable municipalities to prioritise spending based on local needs identified in their integrated development plans. The recommendation has been shared with the sector, with further discussions planned after the 2025 budget to finalise implementation.

In addition, municipalities are required to spend a third of the P-component (equivalent to 4.5 per cent of the grant) on sport and recreation infrastructure identified in their own integrated development plans. Municipalities are also encouraged to increase their investment in other community infrastructure, including cemeteries, community centres, taxi ranks and marketplaces.

Over the 2025 MTEF period, municipalities will continue to be allowed to use up to 5 per cent of their allocations to fund the development of infrastructure asset management plans. This is intended to build the necessary asset management capabilities in municipalities. It allows for phased-in and systematic reforms to incentivise municipalities to start appropriately budgeting for the repairs and maintenance of municipal infrastructure. To make use of this

provision, municipalities must submit a business plan to the Department of Cooperative Governance, accompanied by a copy of their audited asset register.

To support municipalities experiencing project implementation challenges, the Department of Cooperative Governance will continue to use the indirect component of the grant to implement projects on behalf of identified municipalities over the next three years. The indirect component will be R494 million for 2025/26. Further details regarding the criteria that will be used, including the conditions, and the responsibilities of the transferring officer and receiving officer are contained in the grant framework.

## Integrated urban development grant

The *integrated urban development grant* is allocated to selected urban local municipalities in place of the *municipal infrastructure grant*. The grant recognises that municipalities differ in terms of their context and introduces a differentiated approach to encourage integrated development in cities.

The grant is intended to:

- Support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces.
- Enable and incentivise municipalities to invest more non-grant funding in infrastructure projects in intermediate cities.

The grant extends some of the fiscal reforms already implemented in metropolitan municipalities to non-metropolitan cities and is administered by the Department of Cooperative Governance.

Municipalities must meet certain criteria and apply to receive the *integrated urban development grant* instead of the *municipal infrastructure grant* in terms of a process set out in section 26(5) of the Division of Revenue Act. The qualification criteria cover the following areas:

- Management stability (low vacancy rates among senior management).
- Audit findings.
- Unauthorised, irregular, fruitless and wasteful expenditure.
- Capital expenditure.
- Reporting in terms of the Municipal Finance Management Act.

To remain in the grant, cities must continue to meet or exceed the entry criteria. If they do not do so, they will be placed on a performance improvement plan. If they still do not meet the criteria in the subsequent year, they will shift back to receiving grant transfers through the *municipal infrastructure grant*, which comes with closer oversight and support from national and provincial departments. The base allocations a municipality receives through the

*municipal infrastructure grant* and the *integrated urban development grant* will be the same and are determined in terms of the *municipal infrastructure grant* formula described above. In addition to the basic formula-based allocation, municipalities participating in the *integrated urban development grant* are eligible to receive a performance-based incentive component, which is based on performance against the weighted indicators set out below.

**Table W1.28 Performance-based component weighted indicators for integrated urban development grant**

| Indicators | Purpose | Weight | Scores |
|---|---|---|---|
| Non-grant capital as a percentage of total capital expenditure | Encourage cities to increase their capital investments funded through own revenue and borrowing | 40% | 1 if 70% or higher<br>0 if 30% or lower<br>Linear scale in between |
| Repairs and maintenance expenditure as percentage of operating expenditure | Reward cities that take good care of their existing asset base | 30% | 1 if 8% or higher |
| Asset management plan | Must have a plan in place that has been approved by municipal council and updated in the last three years | 30% | 1 if yes for all three<br>0 if no for any of the three |
| Land-use applications in priority areas | Due to the lack of available data, these indicators, which are intended to reward spatial targeting of investment, remain dormant in 2025/26 | | 1 if 50% or higher<br>0 if 10% or lower |
| Building plans applications in priority areas | Due to the lack of available data, these indicators, which are intended to reward spatial targeting of investment, remain dormant in 2025/26 | | Linear scale in between |

*Source: National Treasury*

The conditional grants review highlighted the need to reassess the relevance of certain indicators in the grants incentive component calculation that have remained dormant since the grant's inception due to data limitations. It also identified the need to introduce greater flexibility by allowing intermediate cities more discretion in the use of incentives. These reforms will be discussed after the tabling of the 2025 Budget, with implementation planned from 2026/27.

The total allocations for this grant amount to R4.1 billion over the 2025 MTEF period and grow at an average annual rate of 8.2 per cent. The above-inflation growth rate is due to the inclusion of Alfred Duma Local Municipality as a grant participant over the 2025 MTEF period.

**Table W1.29 Formula for integrated urban development grant incentive component**

| | | Performance incentive | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Planning allocation (R 000) | Non-grant capital as percent-age of total capital spend | Mainten-ance spend | Asset manage-ment plan | Land use and building plans in priority areas | Weighted score | Total incentive (R 000) | Total for incentive and planning (R 000) |
| Mogale City | – | 10% | 20% | 0% | – | 6% | 10 780 | 10 780 |
| Ray Nkonyeni | – | 10% | 20% | 10% | – | 8% | 14 374 | 14 374 |
| Alfred Duma | 2 278 | 20% | 20% | 0% | – | 8% | 14 374 | 16 652 |
| uMhlathuze | – | 30% | 20% | 20% | – | 14% | 25 154 | 25 154 |
| Polokwane | – | 10% | 10% | 20% | – | 8% | 14 374 | 14 374 |
| Steve Tshwete | – | 10% | 10% | 10% | – | 6% | 10 780 | 10 780 |
| Sol Plaatje | – | 10% | 30% | 10% | – | 10% | 17 967 | 17 967 |
| Drakenstein | – | 10% | 20% | 30% | – | 12% | 21 561 | 21 561 |
| Stellenbosch | – | 30% | 10% | 20% | – | 12% | 21 561 | 21 561 |
| George | – | 20% | 20% | 30% | – | 14% | 25 154 | 25 154 |
| **Total** | **2 278** | | | | | **100%** | **176 081** | **178 359** |

*Source: Department of Cooperative Governance*

## Urban settlements development grant

Over the years, the *urban settlements development grant* has been criticised for limiting the amount of discretion provided to municipalities that benefit from it, with the grant being largely associated with housing or human settlements. This has neglected other important municipal functions, such as bulk infrastructure. In 2024/25, the grant framework was amended to emphasise the importance of spending on both new and existing bulk infrastructure. This emphasis remains and will be strengthened through metro trading services reforms over the 2025 MTEF period.

The *urban settlements development grant* serves as an integrated source of funding for infrastructure development in municipal services in the eight metropolitan municipalities. This grant is allocated as a supplementary fund to these cities under schedule 4, part B of the Division of Revenue Act. Accordingly, the eight metropolitan municipalities are expected to use a combination of grant and own revenue funds to support the development of urban infrastructure and integrated human settlements.

To ensure progress on these projects, cities must report their progress against the set targets in their service delivery and budget implementation plans. From 2019/20, cities have also

been required to report in line with the requirements of the Municipal Finance Management Act Circular 88. Consequently, cities report on an agreed set of indicators used by multiple stakeholders to monitor progress on the integrated and functional outcomes instead of reporting separately to each department.

The grant is allocated R28.4 billion over the medium term. This amount includes R2.4 billion from the Budget Facility for Infrastructure for the City of Johannesburg's Lufhereng Mixed Used Development Programme. The allocation per municipality (excluding the Budget Facility for Infrastructure allocations) is based on the *municipal infrastructure grant* formula. Up to 3 per cent of a municipality's allocation may be used to fund municipal capacity in the built environment in line with the Department of Human Settlements' capacity-building guideline.

*Informal settlements upgrading partnership grant*

Upgrading informal settlements remains a priority over the medium term. The *informal settlements upgrading partnership grant* is allocated R4.7 billion in 2025/26, R4.9 billion in 2026/27 and R5.2 billion in 2027/28. Upgrading informal settlements is an inclusive process through which informal residential areas are incrementally improved, formalised and incorporated into the city or neighbourhood by extending land tenure security, infrastructure and services to residents of informal settlements. This grant requires cities to work in partnership with communities to develop and complete their strategies for such upgrades.

*Programme and project preparation support grant*

The *programme and project preparation support grant* ceases to exist in its current form from 2025/26. This emanates from the conditional grants review, which recommended rationalising several conditional grants to address duplication and mitigate the unintended consequences associated with the proliferation of grants and for better alignment. Over the MTEF period, R245 million from the *programme and project preparation support grant* will be merged into the newly redesigned *neighbourhood development partnership grant*, with a specific focus on non-metropolitan municipalities. Meanwhile, R981 million from this grant will be allocated to the new *urban development finance grant*, which will target metropolitan municipalities.

## Public transport network grant

The *public transport network grant*, administered by the Department of Transport, helps cities create or improve public transport systems in line with the National Land Transport Act (2009) and the Public Transport Strategy. This includes all integrated public transport network infrastructure, such as bus rapid transit systems, conventional bus services and pedestrian and cycling infrastructure. The grant also subsidises the operation of these services.

Following the conditional grants review, the allocation methodology for this grant has been amended to augment the incentive component, which has only accounted for 5 per cent of the grant baseline since the introduction of the formula in 2016/17. This change allows for more allocative efficiency as a larger portion of the grant will now be based on performance.

The grant is allocated R22.4 billion over the medium term. Allocations are still largely determined through a formula, accounting for 90 per cent of the baseline. This is to give

continued certainty about the extent of national funding that municipalities can expect when planning their public transport networks and encourages cities to make more sustainable public transport investments.

The performance-based incentive component accounts for the remaining 10 per cent of the baseline. To qualify for an allocation from the performance incentive, a city must have an operational municipal public transport system approved by the national Department of Transport and it must have spent more than 80 per cent of its grant allocation in the previous financial year. Incentive allocations are calculated based on the coverage of costs from fares, passenger trips and the city's own financial commitment to the system. Cities must exceed the minimum threshold in at least two of these three indicators.

The calculation of the performance incentive allocations for 2025/26 is set out in Table W1.30. The raw scores for the cities are weighted using the sum of the base and formula components to account for the size of the city.

**Table W1.30 Public transport network grant**

| | Oper-ational public transport system | Grant spent in 2023/24 | Eligible for incentive | Coverage of direct costs from farebox | Average weekday passenger trips (% of population) | City's contri-bution (% of property rates) | Raw scores for incentive | Incentive allocation for 2025/26 (R 000) |
|---|---|---|---|---|---|---|---|---|
| **Minimum threshold** | | | | | | | | |
| City of Cape Town | Yes | 83% | Yes | 0.9% | 1.5% | 0.0% | 0.38 | 415 759 |
| City of Johannesburg | Yes | 58% | No | 0.0% | 0.0% | 0.0% | – | – |
| City of Tshwane | Yes | 87% | Yes | 0.0% | 0.0% | 0.0% | – | – |
| Ekurhuleni | Yes | 87% | Yes | 0.0% | 0.0% | 0.0% | – | – |
| eThekwini | No | 49% | No | 0.0% | 0.0% | 0.0% | – | – |
| George | Yes | 125% | Yes | 0.0% | 9.0% | 2.4% | 0.62 | 117 848 |
| Mangaung | No | 12% | No | 0.0% | 0.0% | 0.0% | – | – |
| Msunduzi | No | 0% | No | 0.0% | 0.0% | 0.0% | – | – |
| Nelson Mandela Bay | Yes | 20% | No | 0.0% | 0.0% | 0.0% | – | – |
| Polokwane | Yes | 67% | No | 0.0% | 0.0% | 0.0% | – | – |
| Rustenburg | Yes | 228% | Yes | 0.0% | 0.0% | 0.0% | – | – |
| **Total** | | | | | | | **1.00** | **533 607** |

*Source: National Treasury*

During 2020/21, three cities were suspended from receiving this grant due to having been in the planning phase since the grant's introduction in the 2006 MTEF period. Msunduzi Local Municipality was among these cities but has since demonstrated notable progress in implementing its integrated public transport network plan, with the goal of making its system operational over the medium term. As a result, the Department of Transport began to gradually reintroduce the municipality into the grant from 2024/25. As determined outside of the formula, the municipality has been allocated R300 million over the medium term.

In the formula for the grant, a base component accounts for 20 per cent of total allocations and is divided equally among all participating cities – this ensures that smaller cities in particular have a significant base allocation to run their transport system regardless of their size. A portion of the City of Johannesburg's and eThekwini Metropolitan Municipality's base allocations for 2025/26 are reprioritised to fund the phased-in re-entry of Msunduzi Local Municipality. The bulk of the formula (70 per cent) is allocated based on three demand-driven

factors, which account for the number of people in a city, the number of public transport users in a city (the weighting of train commuters is reduced as trains are subsidised separately through the Passenger Rail Agency of South Africa) and the size of a city's economy.

Table W1.31 sets out how the final allocation for each municipality is determined, taking account of both the formula and incentive component.

**Table W1.31 Formula for the public transport network grant**

| | Base 20% | Demand-driven factors 70% | | | | | 100% |
|---|---|---|---|---|---|---|---|
| | Equally shared[1] | Population component shares | Regional gross value added component shares | Public transport users component shares | Subtotal: base and demand-driven factors | Performance 10% | Grant allocations [2] (R 000) |
| City of Cape Town | 10.0% | 17.8% | 16.8% | 15.1% | 15.1% | 415 759 | **972 486** |
| City of Johannesburg | 5.5% | 21.1% | 26.9% | 22.3% | 19.4% | - | **972 942** |
| City of Tshwane | 10.0% | 13.9% | 16.0% | 15.2% | 13.9% | - | **696 253** |
| Ekurhuleni | 10.0% | 15.1% | 10.1% | 16.2% | 13.0% | - | **649 286** |
| eThekwini | 5.5% | 16.4% | 16.9% | 19.6% | 14.9% | - | **746 609** |
| George | 10.0% | 0.9% | 0.5% | 0.3% | 2.6% | 117 848 | **250 300** |
| Mangaung | 10.0% | 3.6% | 2.5% | 3.5% | 4.7% | - | **235 430** |
| Msunduzi | 9.0% | 0.0% | 0.0% | 0.0% | 2.0% | - | **100 000** |
| Nelson Mandela Bay | 10.0% | 5.5% | 5.0% | 3.9% | 6.0% | - | **298 225** |
| Polokwane | 10.0% | 3.0% | 1.6% | 1.4% | 3.8% | - | **189 331** |
| Rustenburg | 10.0% | 2.6% | 3.7% | 2.5% | 4.5% | - | **225 211** |
| **Total** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **533 607** | **5 336 074** |

*1. Equally shared among 8 of the 11 cities. A portion of the City of Johannesburg and eThekwini's base allocations for 2025/26 is reprioritised to fund the phased-in re-entry of Msunduzi Local Municipality*
*2. Excludes additional funds for the City of Cape Town allocated through the Budget Facility for Infrastructure*
*Source: National Treasury*

The baseline of this grant includes R4.4 billion over the medium term to complete Phase 2A of the City of Cape Town's MyCiTi public transport network, linking the underserved areas of Khayelitsha and Mitchells Plain to the city centre. This project is funded through the Budget Facility for Infrastructure.

## Neighbourhood development partnership grant

The *neighbourhood development partnership grant* (NDPG) will be redesigned from 2025/26, merging the non-metro component of the NDPG with a portion of the *programme and project preparation support grant* into a single grant, still called the NDPG. The grant will be phased out over the 2025 MTEF period, with its focus now on completing all projects at various stages of development and implementation. No new projects will be initiated. The redesigned grant will aim to identify, plan and invest in strategic locations in non-metropolitan municipalities to attract and sustain third-party capital investments for spatial transformation. It will also develop a pipeline of investment-ready capital projects by establishing an efficient system for programme and project preparation.

The metro component of the NDPG and a portion of the *programme and project preparation support grant* will transition to the new *urban development financing grant* in 2025/26, focusing exclusively on metropolitan municipalities. Once existing projects are completed,

funds will be redirected to enhance incentives for trading services reforms under the *urban development financing grant*. The indirect NDPG will be integrated into the National Treasury's budget baseline, ensuring that allocations remain earmarked for their original purpose.

A total of R1.7 billion has been allocated to the NDPG over the 2025 MTEF period to support the phased transition and alignment with broader urban development objectives. This amount is made up of R1.4 billion for the direct component and R311 million for the indirect technical assistance component.

The technical assistance funding will assist in enhancing the capabilities of both metropolitan and non-metropolitan local municipalities to prepare infrastructure project pipelines. Enhanced capacity at the national and local municipality level will be required to drive the changes identified by conditional grant reviews to ensure efficiency.

## Urban development financing grant

The National Treasury will introduce the *urban development financing grant* in 2025/26 to support spatially targeted urban development, strengthen the project preparation system for infrastructure and address declining service delivery in metropolitan municipalities caused by underinvestment in infrastructure and a lack of technical expertise. This grant consolidates previous urban grants and aims to boost investment in resilient infrastructure, improve urban services and promote financial sustainability in metros.

The grant will be administered through three components:

- **Metro trading services:** Focuses on improving water, electricity and waste management services by linking funding to performance milestones such as governance reforms, service delivery improvements and financial transparency that will create an enabling environment for municipalities to increase investment in infrastructure through loan finance.
- **Neighbourhood development partnership:** Supports targeted investments in strategic locations to attract third-party capital and promote spatial transformation.
- **Programme and project preparation:** Develops a pipeline of investment-ready capital projects by institutionalising efficient systems for project preparation.

Over the 2025 MTEF period, R3.7 billion has been allocated to the grant to support sustainable urban development and improve service delivery outcomes in South Africa's metropolitan municipalities. This amount includes R450 million in 2025/26 to the neighbourhood development partnership component to fund the Cities Public Employment Programme, which will target informal settlements upgrading and waste-related issues, as well as R56 million as viability gap funding for the implementation of a project to address non-revenue water in eThekwini Metropolitan Municipality.

The grant also extends fiscal reforms to metro trading services, incentivising efficient operations and enabling access to loan finance. Performance will be monitored through key indicators covering institutional, financial and operational reforms. Over the medium term,

the fiscal framework provides for a provisional allocation of R8.5 billion as the financial incentive for municipalities to implement these changes, with allocations for 2025/26 to be confirmed in the 2025 adjustments budget. Municipalities need to meet the conditions of having Council-approved plans and clean or qualified financial audits to be eligible for funding. Non-compliant metros will lose funding access but can rejoin on meeting the conditions. Allocations will prioritise water (40 per cent), electricity (20 per cent) and waste (10 per cent), with flexibility for metros to set priorities.

## Regional bulk infrastructure grant

This grant supplements the financing of the social component of regional bulk water and sanitation infrastructure. It targets projects that cut across several municipalities or large bulk projects within one municipality. The grant funds the bulk infrastructure needed to provide reticulated water and sanitation services to individual households. It may also be used to appoint service providers to carry out feasibility studies, related planning or management studies for infrastructure projects.

This grant has a direct and indirect component. In areas where municipalities have the capacity to implement projects themselves, funds are transferred through a direct component. In other areas, the Department of Water and Sanitation implements projects on behalf of municipalities through an indirect component. A parallel programme, funded by the Department of Water and Sanitation, also funds water boards for the construction of bulk infrastructure. Though not part of the division of revenue, these projects still form part of the Department of Water and Sanitation's larger programme of subsidising the construction of regional bulk infrastructure for water and sanitation.

The direct component of the grant is allocated R10 billion over the 2025 MTEF period. This amount includes amounts from the Budget Facility for Infrastructure over the medium term. Sol Plaatje Local Municipality is allocated R1.6 billion over the medium term to refurbish and renew old water supply infrastructure. Drakenstein Local Municipality is allocated R490 million in 2025/26 and R225 million in 2026/27 to upgrade sanitation infrastructure. Nelson Mandela Bay Metropolitan Municipality is allocated R390 million in 2025/26 to avert the water supply crisis caused by the ongoing drought. The programme includes fixing water leaks, upgrading the water treatment works, exploring and developing boreholes, and upgrading a bulk water pipeline.

The indirect component of this grant is allocated R9.8 billion over the 2025 MTEF period.

## Water services infrastructure grant

This grant, administered by the Department of Water and Sanitation, aims to accelerate the delivery of clean water and sanitation facilities to communities that do not have access to basic water services. It provides funding for various projects, including the construction of new infrastructure and the refurbishment and extension of existing water schemes. This grant has a direct and indirect component. In areas where municipalities have the capacity to implement projects themselves, funds are transferred through a direct component. In other

areas, the Department of Water and Sanitation implements projects on behalf of municipalities through the indirect component.

Over the 2025 MTEF period, the direct component of this grant is allocated R13.2 billion and the indirect component is allocated R3.9 billion.

## Integrated national electrification programme grants

These grants aim to provide capital subsidies to municipalities to provide electricity to poor households and fund bulk infrastructure to ensure a constant supply of electricity. Allocations are based on the backlog of households without electricity and administered by the Department of Electricity and Energy. These grants only fund bulk infrastructure and alternative energy technologies that serve poor households. Recent census data from 2022 indicates that the national electrification programme has been successful in providing electricity access to 95 per cent of poor households. This is a notable increase from the 91 per cent documented in the 2016 Community Survey and the 85 per cent documented in the 2011 Census. To sustain this progress, government will spend R12.2 billion on the programme over the 2025 MTEF period.

The integrated national electrification programme (municipal) grant is allocated R5.1 billion over the 2025 MTEF period. The integrated national electrification programme (Eskom) grant is allocated R7.2 billion over the medium term.

## Energy efficiency and demand-side management grant

The *energy efficiency and demand-side management grant* provides selected municipalities with funds to implement projects focused on public lighting, traffic lights and energy-efficient municipal infrastructure such as wastewater treatment works and pump stations. This grant also enables municipalities to use funding for planning and preparing for the Energy Efficiency in Public Infrastructure and Building Programme, which aims to create a market for private investment in the large-scale retrofitting of municipal infrastructure, with repayment made through the achieved energy cost savings. Such an approach has the potential to unlock much-needed energy and cost savings on a large scale. Furthermore, municipalities can use 15 per cent of this grant funding to develop a project pipeline and strengthen the market for energy companies offering retrofitting services.

Expanding energy-efficiency retrofits is a critical component of achieving the objectives outlined in the National Climate Change Response Strategy and the United Nations Framework Convention on Climate Change. The approach also supports municipalities in accessing donor financing. The grant has been allocated R773 million over the medium term and is projected to grow at an average annual rate of 4.5 per cent.

## Rural roads asset management systems grant

The Department of Transport administers the *rural roads asset management systems grant.* The grant funds the collection of data on the condition and usage of rural roads in line with the Road Infrastructure Strategic Framework for South Africa. This information guides

investments to maintain and improve these roads. District municipalities collect data on all the municipal roads in their area, ensuring that infrastructure spending (from the *municipal infrastructure grant* and elsewhere) can be properly planned to maximise impact. As data becomes available, incentives will be introduced to ensure that municipalities use this information to plan road maintenance appropriately.

The Department of Transport will continue to work with the *municipal infrastructure grant* administrators to ensure that municipal roads projects are chosen, prioritised and approved using roads asset management systems data wherever possible. The conditional grants review proposes merging the *rural roads asset management systems grant* with the roads component of the *municipal infrastructure grant* to better allow for this required interface. This grant is allocated R396 million over the 2025 MTEF period.

## Municipal disaster recovery grant

After the initial response to a disaster has been addressed, including through funding from the *municipal disaster response grant* discussed below, repairing damaged municipal infrastructure is funded through the *municipal disaster recovery grant*. This grant is allocated R709 million over the 2025 MTEF period for municipalities in the Eastern Cape, KwaZulu-Natal, Limpopo and Mpumalanga to fund the repair and reconstruction of municipal infrastructure damaged by disaster incidents that occurred in 2023.

## Capacity-building grants and other current transfers

Capacity-building grants help develop municipalities' management, planning, technical, budgeting and financial management skills. Other current transfers include the *EPWP integrated grant for municipalities*, which promotes increased labour intensity in municipalities, and the *municipal disaster response grant*. A total of R5.4 billion is allocated to capacity-building grants and other current transfers to local government over the medium term.

**Table W1.32 Capacity building and other current grants to local government**

| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
|---|---|---|---|---|---|---|---|
| R million | Outcome | | | Adjusted budget | Medium-term estimates | | |
| **Direct transfers** | **2 204** | **2 434** | **2 661** | **2 072** | **1 725** | **1 804** | **1 885** |
| Municipal disaster response | 330 | 517 | 873 | 378 | 395 | 413 | 432 |
| Municipal emergency housing | 66 | 53 | – | – | – | – | – |
| Infrastructure skills development | 155 | 159 | 151 | 165 | 173 | 181 | 189 |
| Local government financial management | 552 | 566 | 569 | 582 | 590 | 617 | 645 |
| Programme and project preparation support | 341 | 361 | 319 | 386 | – | – | – |
| Expanded public works programme integrated grant for municipalities | 759 | 778 | 749 | 560 | 567 | 593 | 620 |
| **Indirect transfers** | **46** | **64** | **147** | **173** | **–** | **–** | **–** |
| Municipal systems improvement | 46 | 64 | 147 | 173 | – | – | – |
| **Total** | **2 250** | **2 498** | **2 807** | **2 245** | **1 725** | **1 804** | **1 885** |

*Source: National Treasury*

## Local government financial management grant

The *local government financial management grant*, managed by the National Treasury, funds the placement of financial management interns in municipalities over a multi-year period, with the aim of retaining their skills. This includes building in-house municipal capacity to implement multi-year budgeting, linking integrated development plans to budgets and producing quality and timely in-year and annual reports. This grant prioritises supporting municipalities with challenges in processes, procedures and systems to effectively implement the act and to improve compliance and areas of weakness identified in the financial management capability maturity model. The grant also supports municipalities in the implementation of the Municipal Finance Management Act and provides funds for the implementation of the municipal standard chart of accounts. Over the 2025 MTEF period, R1.9 billion is allocated to this grant, with an allocation of R590 million in 2025/26, R617 million in 2026/27 and R645 million in 2027/28.

The conditional grants review highlighted the importance of a unified approach to capacity building by streamlining existing initiatives within the National Treasury and leveraging best practices. Over the 2025 MTEF period, the National Treasury will explore consolidating its financial management support initiatives – the *local government financial management grant*, the Municipal Finance Improvement Programme and the Municipal Revenue Management Improvement Programme – into a single, integrated programme tentatively referred to as the Local Government Financial Management Capability Programme. Further details on the consolidated programme are provided in Part 6.

## Infrastructure skills development grant

The *infrastructure skills development grant* develops capacity within municipalities by creating a sustainable pool of young professionals with technical skills in areas such as water, electricity and town planning. The grant places interns under the relevant supervision in municipalities or entities so that they can complete the requirements of the relevant statutory council within their respective built environment fields. The interns can be hired by any municipality at the end of their internship. The grant aims to collaborate with other sectors, such as the Department of Water and Sanitation and the Department of Cooperative Governance, with the primary objective of improving *infrastructure skills development grant* services. A memorandum of agreement must be established in instances where a graduate is placed in another entity (private or public). The grant is allocated R542 million over the 2025 MTEF period, with an allocation of R173 million in 2025/26, R181 million in 2026/27 and R189 million in 2027/28.

## Municipal systems improvement grant

The *municipal systems improvement grant* funds a range of projects in municipalities in support of the implementation of the district development model approach and the back to basics strategy, including helping municipalities set up adequate record management systems, drawing up organograms for municipalities and reviewing their appropriateness relative to their assigned functions, implementing the Integrated Urban Development Framework and assisting municipalities with revenue collection plans and the implementation

of the municipal standard chart of accounts. From 2025/26, this grant will cease to exist as funds are shifted to the vote of the Department of Cooperative Governance. This reform aims to improve overall effectiveness and allow greater flexibility in resource allocation and spending efficiency. The funding will be earmarked to ensure continued prioritisation of the grant's original intent of optimising municipal systems improvements.

## EPWP integrated grant for municipalities

This grant promotes the use of labour-intensive methods in delivering municipal infrastructure and services. To determine eligibility for funding, municipalities must have reported performance on the EPWP, including performance in the infrastructure, social and environment and culture sectors and on the full-time equivalent jobs created in these sectors in the last 18 months. A formula then determines allocations based on this performance as well as the labour intensity of the work opportunities created. The number of bands in which labour intensity is recorded in the formula has been expanded from seven to eight, providing an incentive for labour-intense projects to further increase their intensity. The formula is weighted to give larger allocations to rural municipalities. The grant is allocated R1.8 billion over the 2025 MTEF period, with an allocation of R567 million in 2025/26, R593 million in 2026/27 and R620 million in 2027/28.

## Municipal disaster response grant

The *municipal disaster response grant* is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately, without the need for the transfers to be gazetted first. The grant supplements the resources local government would have already used in responding to disasters. To ensure that sufficient funds are available in the event of disasters, section 20 of the Division of Revenue Act allows for funds allocated to the *provincial disaster response grant* to be transferred to municipalities if funds in the municipal grant have already been exhausted, and vice versa. The act also allows for more than one transfer to be made to areas affected by disasters, so that initial emergency aid can be provided before a full assessment of damages and costs is conducted.

Over the 2025 MTEF period, R1.2 billion is available for disbursement through this grant: R395 million in 2025/26, R413 million in 2026/27 and R432 million in 2027/28. The grant increases by an average annual rate of 4.5 per cent over the 2025 MTEF period.

To ensure that sufficient funds are available to respond to disasters, section 20(7) of the Division of Revenue Act allows funds from other conditional grants to be reallocated for this purpose, subject to the National Treasury's approval.

## Smart meters grant

The National Treasury administers the *smart meters grant* as an indirect grant through a transversal contract to manage distribution quality and costs. The purpose of this grant is to provide better efficiency in energy provision and the integration of renewable energy to meet consumer demands. Smart grid technologies can also help municipalities protect existing

revenue and optimise overall revenue collection from their existing bases. As such, the grant will continue to prioritise the initial capital outlay and operational expenditure.

Over the 2025 MTEF period, the grant will continue to complement the municipal debt to Eskom relief measures by targeting municipalities already part of the programme. The grant is expected to progressively extend across municipalities to help improve financial sustainability and management.

A total of R2.3 billion has been allocated towards this grant: R650 million in 2025/26, R800 million in 2026/27 and R836 million in 2027/28.

# PART 6: FUTURE WORK ON PROVINCIAL AND MUNICIPAL FISCAL FRAMEWORKS

## Evolving fiscal frameworks for a dynamic intergovernmental system

The fiscal frameworks for provincial and local government represent the cornerstone of their ability to deliver on their mandates, encompassing all revenue sources and expenditure responsibilities. As the social and economic landscape shifts and the assignment of intergovernmental functions evolves, these frameworks must adapt to remain fit for purpose. The National Treasury, in collaboration with key stakeholders, undertakes rigorous reviews to ensure an equitable and sustainable balance between the revenue streams available to provinces and municipalities and their expenditure obligations. These reviews are guided by the principles of predictability, stability and responsiveness, while remaining cognisant of the finite resources available.

This section of the annexure outlines the critical areas of focus for the 2025/26 MTEF period as part of the ongoing refinement of the intergovernmental fiscal framework. The work ahead will ensure that the framework continues to support effective governance and service delivery while addressing emerging challenges. Provinces and municipalities will be fully engaged throughout the process, ensuring that all proposed changes are informed by their insights and aligned with the needs of the communities they serve.

## Cross-cutting reforms

*Review of the conditional grants system*

In September 2024, government concluded a comprehensive review of the conditional grant system and developed reforms based on the findings. These reforms, which will be implemented progressively over the next three years, are designed to rationalise the conditional grant framework, integrate certain grants into the provincial equitable share and enhance the overall effectiveness of the system. This initiative underscores government's commitment to improving service delivery while ensuring the prudent management of public resources.

The review process was underpinned by an extensive consultation phase conducted between July and December 2024 during which the National Treasury presented the findings and recommendations arising from the review. While most of the proposed reforms are intended for medium- to long-term implementation, a select number of reforms have been prioritised

for the short term and will be introduced during the 2025 MTEF period. These short-term reforms are detailed in parts 4 and 5 of this document under the relevant conditional grants.

Further consultations are planned to follow the tabling of the 2025 Budget, with a focus on reforms earmarked for medium- to long-term implementation. These engagements will include impact assessments and preparatory work to ensure the successful rollout of the proposed changes. The reforms aim to address systemic challenges within the grant system and are guided by the principles of equity, efficiency and sustainability. Key areas of reform include the following:

## Enhancing differentiation and effectiveness in the grant system

A central objective of the reforms is to introduce greater differentiation within the grant system to address the diverse needs of municipalities. This includes reducing the growing reliance on grants by metropolitan municipalities while providing targeted support to municipalities with limited capacity. By addressing service delivery challenges and locational disparities, the reforms aim to create a more responsive and equitable system. Specific measures under this initiative include refining allocation methodologies to balance equity and efficiency considerations, strengthening co-funding requirements to promote shared responsibility and sustainability, reducing restrictive earmarking and ring-fencing to allow for greater flexibility in the use of funds, introducing or enhancing performance-based incentives to drive accountability and improve outcomes, and improving the alignment of related grants to reduce fragmentation and duplication.

## Rationalising the number of grants

As part of the reforms, the number of conditional grants allocated to subnational governments will be streamlined to address the duplication of grants and mitigate the administrative burdens associated with the proliferation of funding streams. By simplifying the grant system, government aims to improve efficiency and reduce reporting requirements, enabling municipalities to focus on service delivery. Proposed measures include:

- Merging water reticulation grants to create a unified funding mechanism for water infrastructure.
- Consolidating energy grants to streamline support for energy-related projects.
- Combining urban development grants to enhance the coordination of urban infrastructure investments.
- Discontinuing grants that are better suited as provincial programmes, such as those for road maintenance, sports development and capacity-building initiatives.

These reforms represent a decisive step towards a more efficient and effective intergovernmental fiscal framework. By addressing systemic inefficiencies and aligning resources with service delivery priorities, government reaffirms its commitment to fostering sustainable development and improving the quality of life for all citizens. The implementation of these reforms will be closely monitored to ensure that they achieve their intended objectives while maintaining fiscal discipline and accountability.

## Review of the disaster management system

Government is implementing a multipronged approach to strengthen disaster management systems, addressing immediate challenges while building long-term resilience. To improve the assessment and allocation of disaster response funding, the Development Bank of Southern Africa has been contracted to assist in reviewing current processes. For the 2025 MTEF, R12.1 billion is required to address backlog disaster funding and in-year requests, including R10.3 billion for disaster response and R1.8 billion for emergency housing. Simultaneously, the National Disaster Management Centre is leading a review of the national disaster management system, supported by a synthesis report and benchmarking against international best practices by the Department of Planning, Monitoring and Evaluation. These efforts aim to address inefficiencies, improve resource allocation and ensure that disaster management is mainstreamed into the Medium-Term Strategic Framework, embedding risk reduction into future planning processes.

Recognising the growing risks posed by climate change, government is shifting from reactive to proactive disaster management. The National Treasury and the National Disaster Management Centre are reviewing disaster funding systems to prioritise preparedness and long-term resilience, particularly for protracted disasters like droughts. Reforms to local government conditional grants in the built environment will further support disaster risk reduction by incentivising asset maintenance, infrastructure resilience and comprehensive preparedness. These measures aim to reduce vulnerabilities, improve land and environmental management and streamline decision-making processes. By embedding disaster risk reduction into planning and funding mechanisms, government is laying the foundation for a more sustainable and resilient future, ensuring that disaster management becomes an integral part of governance across all spheres.

To complement these efforts, the National Treasury has developed a Disaster Risk Financing Strategy to address the financial challenges posed by climate-induced disasters. This strategy adheres to the “build back better” principle and focuses on three key areas. First, effective finance mobilisation through tailored risk financing strategies, enhanced legislation and partnerships with financial institutions. Second, improved fund distribution by streamlining grant mechanisms, eliminating inefficiencies and decentralising response systems to include non-governmental organisations and the private sector for rapid aid delivery. Third, enhanced data collection through strengthened municipal asset registries and collaboration with the insurance sector to leverage claims data for better budgeting and risk management. Together, these reforms aim to create a resilient financial framework that supports effective disaster response, recovery and long-term risk reduction.

## Review of the provincial fiscal framework

*Review of the provincial equitable share formula*

The Constitution mandates that provinces receive a share of nationally raised revenue to fulfil their service delivery responsibilities. This allocation is determined through the provincial equitable share formula, which is designed to reflect government priorities, address inequality and account for the varying service delivery burdens across provinces. The formula

includes weighted elements that are periodically reviewed to ensure they remain relevant and effective in achieving their intended objectives. However, over the years, several items have been allocated outside the formula, and these will need to be reviewed to prevent them from diluting the impact of the provincial equitable share. The intention is to seek an endorsement from the Technical Committee for Finance to review these items, ensuring that the formula remains robust and aligned with its purpose.

The ongoing review of the provincial equitable share formula, led by the provincial equitable share task team comprising representatives from the National Treasury and provincial treasuries, has already achieved significant progress.

More recently, the National Treasury, in collaboration with the Department of Basic Education and Statistics South Africa, has continued to explore options available to improve the current structure of the education component. The education component has two subcomponents, school enrolment and the school-going age. The school enrolment data is sourced from the Learner Unit Record Information Tracking System (LURITS), while the school-going-age population (5-17) is sourced from the mid-year population estimates published by Statistics South Africa.

The proposed reforms to the enrolment subcomponent consist of two changes. The first is including learners with special needs from special needs centres into the enrolment numbers as they are currently not accounted for. This is a legacy of the way data was made available in the old SNAP survey, in which data on special needs schools was not presented together with data on ordinary schools. The second change is to the structure of the subcomponent to ensure that there is differentiation among learners. The redesigned enrolment subcomponent addresses this by assigning a higher weight to learners from a poor background than learners who are better off.

The proposed reforms are envisaged to be implemented in the 2026 MTEF. This is because the latest data on the Income and Expenditure Survey, which is required to update the quintile table used to categorise learners, is outstanding. The income and expenditure data will only be published in January 2025, which is too late for the annual provincial equitable share technical updates.

## Preparing for national health insurance implementation

Certain provisions of the National Health Insurance Act (2023) have been challenged in the Constitutional Court, including concerns about the usurpation of provincial powers and the shifting of health functions from provinces without following the due process for function shifts. The outcome of this court process is expected to provide clarity on the intergovernmental and funding arrangements for the NHI, enabling greater agility in how the act is implemented. This legal determination will be pivotal in shaping the division of responsibilities across the three spheres of government and ensuring that the implementation process adheres to constitutional principles.

The funding model for the NHI will also be informed by the envisaged role of municipalities outlined in the act. This aspect remains subject to extensive consultation with the local

government sector, given the significant implications for municipal health services and their integration into the broader NHI framework.

Preparatory work towards the progressive implementation of the NHI will continue, including strengthening the health system through strategic purchasing, piloting provider payment mechanisms and expanding the national insurance beneficiary registry. The quality improvement initiative, funded through the health systems component of the *NHI indirect grant*, will support health facilities in meeting the standards required for NHI accreditation. These efforts, combined with the clarity expected from the Constitutional Court, will guide the phased and consultative implementation of the NHI, ensuring alignment with constitutional mandates and the needs of all spheres of government.

## Review of the local government fiscal framework

*Refinements to the local government equitable share formula*

Government remains committed to refining the local government equitable share formula to ensure it is responsive, equitable and aligned with the diverse needs of municipalities. The Budget Forum has approved a comprehensive programme of action to guide this work, including the terms of reference for the review and the initiation of a procurement process to secure expertise for the detailed technical work. This review will address methodological flaws and incorrect narratives that have emerged, which are based on inaccurate data and assumptions. By grounding the review in credible data and robust methodologies, government aims to strengthen the formula's credibility and effectiveness.

Key areas of focus include improving the formula's responsiveness to the distinct functions assigned to district and local municipalities. This requires accurate and credible records of functional assignments, which remain a challenge. Ongoing policy and administrative work by the National Disaster Management Centre, particularly in fire services, could enhance the targeting of funding for these critical functions. Additionally, the review will update the calculation of special support for councillor remuneration, which is provided to small and poor municipalities. The data used to determine eligibility for this support will be updated to ensure fairness and accuracy.

Over the 2025 MTEF period, the National Treasury, supported by the working group comprising the Department of Cooperative Governance, SALGA, the FFC and Statistics South Africa, will undertake several targeted reforms. These include reviewing the basic services component to explore the introduction of a cost differential model that accounts for factors such as distances, topography and settlement types. The community services component will be refined to include a separate allocation for municipal health services and an explicit sub-component for firefighting functions. For the institutional component, the review will develop objective criteria to benchmark municipalities' administrative functions and explore policy options for financing infrastructure in small and rural municipalities. These reforms will ensure that the local government equitable share formula remains fit for purpose, equitable and responsive to the evolving needs of local government.

## Reforms to local government own revenue sources

Municipal own revenue is a critical component of the local government fiscal framework, as it enables municipalities to exercise financial autonomy, respond to local priorities and ensure sustainable service delivery. Unfortunately, the challenges of low revenue collection, inefficiencies and fiscal leakages make it increasingly difficult for municipalities to meet the demands of a rapidly urbanising population and support growth. The National Treasury continues to play an active role by exploring alternative financing options for municipalities with higher revenue bases to supplement conventional infrastructure funding sources. The National Treasury is committed to implementing the reforms outlined below to address these challenges.

*I) Norms and standards for electricity surcharges*

The National Treasury is taking steps to develop compulsory national norms and standards for regulating municipal surcharges on electricity and to identify alternative sources of revenue that can replace or supplement these surcharges.

The process municipalities need to follow to levy surcharges remains unclear, which has led to some municipalities being legally challenged when imposing these surcharges. Electricity used to be the largest component of service charges from which municipalities generated their revenue. However, the declining reliability of supply, increasing electricity prices and a gradual shift to renewable energy sources by households and businesses have led to a need for structural changes in the municipal electricity market that requires the reconsideration of charging and revenue collection processes.

To date, the draft compulsory national norms and standards for regulating the municipal electricity surcharge have been developed, and the National Treasury is consulting the relevant external stakeholders to solicit their views. Once reviewed in line with the views received, the draft compulsory national norms and standards will be published for public comment before being submitted to Parliament for scrutiny.

*II) Development charges*

Development charges are important components of a sustainable municipal infrastructure financing system, especially for cities and large urban municipalities, as they are used to finance the provision of infrastructure resulting from land intensification. Despite the potential of development charges as an alternative option to finance infrastructure, municipalities have not fully used them due to uncertainty surrounding the regulatory frameworks.

To address this uncertainty, amendments to the Municipal Fiscal Powers and Functions Act (2007) have been introduced. To date, the Municipal Fiscal Powers and Functions Amendment Act has been enacted. These amendments allow municipalities to mobilise their own revenue resources to fund their infrastructure needs and support economic growth. The amendment act creates legal certainty for municipalities to levy development charges,

regulate their applicability and create a more standardised, equitable and sustainable framework for development charges.

Following the enactment of the amendment act, the National Treasury resumed the process of developing regulations to ensure effective implementation of development charges. To date, the draft development charges regulations have been developed and are being reviewed internally. It is anticipated that the review process will conclude by the end of January 2025 and the National Treasury will engage external stakeholders to solicit their views. Once the external consultation processes are concluded, the National Treasury will submit the draft regulations to Parliament for scrutiny.

*III) Municipal borrowing*

Government is witnessing a steady yet slow rise in outstanding municipal long-term debt, which has grown at an average annual rate of 3.7 per cent over the last 24 years. Long-term debt has increased from R20.3 billion in 1999/2000 to R67.8 billion at the end of 2023/24. Municipal long-term debt shows a decline in loans and bonds taken up over 2023/24 relative to 2022/23.

The National Treasury has observed that the slow growth in municipal borrowing is largely due to the creditworthiness of municipalities. In conjunction with reforms aimed at strengthening municipal financial sustainability, the National Treasury is also embarking on staging a creditworthiness academy with the World Bank. This week-long workshop is designed to help municipalities assess both their capacity and readiness to borrow funds for infrastructure development. It is an effort to improve local financial management from the perspective of potential lenders and investors.

The increased participation of financiers in the municipal debt market notwithstanding, unlocking financing for bulk infrastructure to drive economic growth remains a challenge. The National Treasury is implementing reforms to unlock greater financing. The first reform is the metro trading services reform, where the turnaround and the increased sustainability of services will lead to metros borrowing more to expand their services. Furthermore, government has committed significantly to the just energy transition process. This reform provides a platform for the National Treasury, financiers and municipalities to pilot innovative financing mechanisms such as performance-based contracts in the energy and water sectors. These contracts will not only provide additional financing from the private sector but innovation in how to efficiently and effectively deliver critical basic services to communities.

The disaster space is anchored by the Disaster Risk Financing Strategy, which advocates for the use and increased issuance of climate-related bonds and blended financing structures to increase investment in resilient infrastructure. To support the design and implementation of

these financing mechanisms, studies are being undertaken to determine barriers such as financial constraints, governance inefficiencies and capacity deficits. This is to understand the applicability of these innovative instruments at the municipal level.

The National Treasury continues to publish the Municipal Borrowing Bulletin on a quarterly basis. Copies can be obtained from www.mfma.treasury.gov.za.

## ENHANCING THE LOCAL GOVERNMENT FISCAL FRAMEWORK THROUGH TARGETED REFORMS

Enhancing the effectiveness of the local government fiscal framework is essential to ensuring that municipalities can fulfil their service delivery mandates while maintaining financial sustainability. Over the upcoming MTEF period, the National Treasury will prioritise targeted reforms focused on capability development. This area remains critical to empowering municipalities to manage their resources more effectively and efficiently, thereby improving service delivery to their communities. These reforms include:

### Review of the municipal capacity-building system

As part of the next phase of the ongoing review of local government capacity-building programmes, the National Treasury will consolidate its financial management support initiatives into a unified Local Government Financial Management Capability Programme. This integrated programme will provide a comprehensive framework for equipping municipalities with the tools, knowledge and resources needed to strengthen governance and improve service delivery. By streamlining existing initiatives and fostering collaboration, the programme aims to deliver targeted, impactful and sustainable support to municipalities across the country.

The programme will align with the National Treasury's Capability Development Framework and adopt a differentiated approach tailored to the unique needs and maturity levels of municipalities. Key features include pre-grant capacity assessments to identify gaps, multi-year grants to build sustainable in-house capabilities and a municipal scorecard to monitor progress and link it to grant allocations. Collaboration with partners such as SALGA, the Department of Cooperative Governance and academic institutions will ensure the design and delivery of customised capacity-building packages. Beyond financial management, the programme will serve as a foundation for a broader government-wide initiative to integrate capability development across all municipal functions, including governance and service delivery. This cohesive, long-term strategy underscores the importance of a unified effort to achieve sustainable municipal development and improve outcomes for communities nationwide.

### Provisional allocations for the metro trading services incentive grant component

The metro trading services component of the urban development finance grant will initially be allocated to the metros according to a formula based on two variables:

- Households as a proxy for expenditure needs.
- Poverty for equity considerations.

The metros will be allowed a level of discretion in setting priorities across the trading services but would need to allocate the grant with a minimum floor of at least 40 per cent for water, 20 per cent for electricity and 10 per cent for solid waste.

The metro trading services component will operate as a performance-based finance incentive for metros, with payments linked to achieving milestones linked to improvements in governance and accountability, and service delivery performance. Key performance indicators will be used to set performance targets for the metros. The performance indicators will cover institutional reforms, financial transparency reforms, business reforms, and operational and service efficiencies.

Eligibility for this component is based on two conditions:

- **Condition 1 (at start):** Submission of Council-approved documents, namely a sector strategy, an institutional roadmap, a business and investment plan, and a performance improvement action plan of acceptable quality within the prescribed period requested by the National Treasury. The metros that do not submit timeously or at the quality required will be excluded from grant access for the subsequent financial year. Such a metro will be given an opportunity to join the year after provided they meet the criteria.
- **Condition 2 (throughout the programme's duration):** Clean or qualified financial audit report of the metro for the previous financial year. Metros that receive an adverse or disclaimed audit report will not access the grant in the next financial year but can rejoin the programme after showing improvement.

Provisional allocations, based on metros' compliance with Condition 1, for the metro trading services incentive grant component are in Table W1.33. These provisional allocations will be confirmed as actual allocations in the Division of Revenue Amendment Bill. Metros' ability to access their allocations will be based on an independent assessment of metros meeting performance targets in their approved performance improvement action plans.

**Table W1.33 Provisional allocations for metro trading services incentive grant component**

| R million | 2025/26 | 2026/27 | 2027/28 | MTEF |
|---|---|---|---|---|
| Johannesburg | 561 | 1 497 | 1 871 | 3 929 |
| Cape Town | 479 | 1 277 | 1 597 | 3 353 |
| eThekwini | 476 | 1 268 | 1 586 | 3 330 |
| Ekurhuleni | 146 | 1 170 | 1 462 | 2 778 |
| Tshwane | 397 | 1 060 | 1 324 | 2 781 |
| Nelson Mandela Bay | – | 633 | 791 | 1 424 |
| Buffalo City | 212 | 566 | 708 | 1 486 |
| Mangaung | 132 | 529 | 661 | 1 322 |
| **Total** | **2 403** | **8 000** | **10 000** | **20 403** |

*Source: National Treasury*

# Annexure W2: Frameworks for Conditional Grants to Provinces

## Detailed frameworks on Schedule 4, Part A; Schedule 5, Part A; Schedule 6, Part A; and Schedule 7, Part A grants to provinces

## Introduction

This annexure provides a brief description for each grant in Schedule 4, Part A; Schedule 5, Part A; Schedule 6, Part A; and Schedule 7, Part A of the 2025 Division of Revenue Bill. The following are key areas considered for each grant:

- Strategic goal and purpose of the grant
- Outcome statements and outputs of the grant
- Priority(ties) of government that the grant primarily contributes to
- Conditions of the grant (additional to what is required in the Bill)
- Criteria for allocation between provinces
- Rationale for funding through a conditional grant
- Past performance
- The projected life of the grant
- 2025 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provinces
- Process for approval of business plans for 2026/27

The attached frameworks are not part of the Division of Revenue Bill but are published in order to provide more information on each grant to parliament, legislatures, municipal councils, officials in all three spheres of government and the public. Once the Division of Revenue Bill, 2025 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2025/26 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

# AGRICULTURE GRANTS

| Comprehensive Agricultural Support Programme Grant | |
|---|---|
| **Transferring department** | • Agriculture (Vote 29) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To create a favourable and supportive agricultural services environment for the farming community, in particular subsistence and smallholder farmers and distressed commercial farmers within strategically identified grain, livestock and horticulture production areas |
| **Grant purpose** | • To provide effective and coordinated agricultural support services through collaborations with industry transformation initiatives where possible<br>• To promote and facilitate agricultural development by targeting beneficiaries of land reform and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export<br>• To revitalise agricultural colleges into centres of excellence |
| **Outcome statements** | • Broadened access to agricultural support for black subsistence, smallholder and distressed commercial farmers<br>• Increased number of sustainable and profitable black producers in horticulture, grains, livestock, fibre and aquaculture value chains<br>• Increased capacity to support and oversee productivity and farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP)<br>• Improved systems required for the maintenance of a foot and mouth disease free status as prescribed by the World Organisation for Animal Health<br>• Increased wealth creation and sustainable employment in rural areas<br>• Increased access to formal and institutional markets by beneficiaries of CASP<br>• Improved household and national food security<br>• Reliable and accurate agricultural information available for management decision making |
| **Outputs** | • On and off-farm infrastructure provided and repaired, including agro-processing infrastructure<br>• Number of farmers supported per category (subsistence, smallholder and commercial) and per commodity<br>• 50 per cent women, 40 per cent youth and 6 per cent people living with disabilities (farmers supported per category)<br>• Quantity of output (tons) produced by beneficiaries of CASP per commodity<br>• Number of beneficiaries of CASP that are South African Good Agricultural Practices certified<br>• Number of jobs created<br>• Number of unemployed graduates placed on commercial farms<br>• Number of beneficiaries of CASP trained on farming methods or opportunities along the value chain<br>• Percentage of CASP beneficiaries with access to formal and institutional markets<br>• Tracing system for animal identification and movement provided and maintained for cattle in the foot and mouth disease controlled areas of Limpopo, Mpumalanga and KwaZulu-Natal<br>• Physical boundary between the foot and mouth disease free zone and the protection zone provided and maintained<br>• Food and veterinary laboratory infrastructure, including quality systems accreditation, revitalised in eight provinces (except Gauteng)<br>• Number of animals vaccinated for foot and mouth disease in Limpopo and Mpumalanga<br>• Number of extension officers including Assistant Agricultural Practitioners recruited and/or maintained in the system<br>• Number of extension officers trained or deployed to commodity organisations<br>• Partnerships with commodity organisations |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation |
| **Details contained in the business plan** | • Outcome indicators<br>• Outputs indicators<br>• Inputs<br>• Key activities<br>• Monitoring framework<br>• Risks and mitigation strategies |
| **Conditions** | • At least 70 per cent of the project allocation must support infrastructure development for production areas prioritised in the Agriculture and Agro-processing Master Plan<br>• At least 10 per cent of the project allocation must be spent on market access and development<br>• At least 6 per cent of the project allocation must be spent on training and capacity building of farmers, and 4 per cent can be used for mentorship programme<br>• At least 1 000 unemployed agricultural graduates should be placed in commercial farms nationally as follows:<br>o Gauteng and Northern Cape must place at least 80 graduates each<br>o the remainder of the provinces must place at least 120 graduates each<br>o all graduates must be employed at a rate of R87 000 per annum<br>• Provinces should prioritise and implement livestock improvement programmes especially those aligned to Kaonafatso ya Dikgomo in partnership with the Agricultural Research Council<br>• The farmers supported must be linked to, but not limited to, commodity organisations including the commercial and emerging commodity organisations. The province should have formal partnership |

| Comprehensive Agricultural Support Programme Grant | |
|---|---|
| | agreements with these commodity organisations to ensure appropriate support is provided to farmers (i.e. specialised technical support, joint funding, access to markets and joint implementation as outlined by the dynamic business model)<br>• In cases where farmers requiring support are outside a commodity organisation agreement, their proposals received from the advertisement process must be approved by committees and authorities established by the province as outlined in the standard operating procedure<br>• All assisted farmers should be listed or registered in the provincial and national project registers<br>• The Department of Agriculture (DoA) will reprioritise the allocated funds on the following basis:<br>o in the event of poor spending on the part of a province where poor spending is the result of poor planning or failure by service provider to meet contractual obligations<br>o in the event of a disaster that affects the implementation of approved plans<br>o provinces not adhering to the CASP standard operating procedure framework when implementing projects or implementing projects that are not approved by DoA<br>o in the event that the ring fenced funds are used for other things without prior approval by the transferring officer<br>• The funds will be transferred as per the disbursement schedule approved by National Treasury; and only after receipt of performance reports against already transferred allocations<br>• Provinces must inform the transferring officer of any proposed changes to the business plans. Such changes must be approved by the transferring officer before they are implemented<br>• The provincial business plans must be signed-off by the heads of departments of the provincial agriculture departments in collaboration with Chief Financial Officers or their representatives, and must be co-signed by the heads of provincial treasuries<br>• The signed business plan for CASP must be submitted to the DoA for approval<br>• The project list contained in the business plan must be submitted in the provincial infrastructure reporting model<br>• The allocations for agricultural colleges must only be used to revitalise infrastructure and equipment at these colleges, as determined in the business plan<br>• An amount of R58 million is allocated to KwaZulu-Natal through the Budget Facility for Infrastructure for KwaZulu-Natal agri-hubs. These funds may only be used for that purpose |
| **Allocation criteria** | • The formula used to allocate funds is a weighted average of the following variables: agricultural land area, households involved in agriculture (General Household Survey 2019 report), previous CASP performance and current benchmarks on production and national policy imperatives |
| **Reasons not incorporated in equitable share** | • Agriculture is identified as a game changer and investment in agriculture must be guided under strict conditions to achieve the aspirations of the National Development Plan and the Agriculture and Agro-processing Master Plan<br>• In 2026/27 the grant will merge with the Ilima/Letsema Projects Grant into a single grant. The grant will continue to support both commercial and subsistence farmers. This merger will streamline administration, improve resource allocation, and ensure clear, equitable support for both commercial and subsistence farming |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R1.5 billion available and transferred, R1.5 billion (100 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 1 179 subsistence farmers were supported<br>• 5 661 smallholder farmers were supported<br>• 102 black commercial farmers supported<br>• Beneficiaries were supported from 396 projects implemented, with 275 projects completed at the end of the financial year<br>• 53 (13 per cent) supported projects were owned by youth and 191 (48 per cent) were owned by women<br>• 44 per cent of beneficiaries supported were women, 9 per cent were youth and 0.5 per cent were people with disabilities<br>• On and off farm infrastructure delivered include 262 irrigation systems, 6 stock and irrigation dams, 58 boreholes, 19 stock water structures, 22 stock handling facilities, 2 projects of solar systems erected, 16 dipping tanks, 8 small stock structures, 4 poultry structures, 8 aquatic nursery structures, 3 nursery infrastructure, 547. 49 km of fencing, 6 pack house facilities, 3 processing infrastructure, 42 storage facilities, 2 orchards infrastructure, 1634 vet structures revamped, 2 ablution facilities and 41 hydroponic structures.<br>• 4 624 jobs created<br>• Foot and mouth disease control deliverables achieved: two animal holding camps for quarantine, guard shelter, office space, vaccinations and promotion of dipping in KwaZulu Natal, in Limpopo, 406 vaccination sessions were conducted vaccinating over 120 000 animals; and in Mpumalanga 120 000 animals were vaccinated. North West revitalised the somatic cell count machine and laboratory management system.<br>• 35 158 farmers benefitted from Kaonafatso ya Dikgomo programme only in KwaZulu Natal, Limpopo, Mpumalanga and Northern Cape<br>• 89 farms were pre-audited for South African Good Agricultural Practices certification (SAGAP), final audits were conducted on 52 farms (58 per cent) and 49 farms were certified (94 per cent), while 107 farms were re-certified<br>• 98 per cent of the smallholder farmers supported had access to formal markets<br>• 29 467 farmers were trained in targeted training programmes, 50.2 per cent trained were women, 38 per cent trained were youth and 0.8 per cent trained were people with disabilities<br>• 586 beneficiaries of CASP were supported with mentorship from 102 projects supported |

| Comprehensive Agricultural Support Programme Grant | |
|---|---|
| | • 985 agricultural graduates were placed on commercial farms for a period of two years as part of the youth entrepreneurial programme<br>• 58 extension officers were recruited nationally and 385 extension personnel is maintained in the system<br>• 10 agricultural colleges upgrading infrastructure (ongoing) |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R1.7 billion; 2026/27: R1.7 billion; and 2027/28: R1.8 billion |
| **Payment schedule** | • Four instalments: 9 May 2025; 29 August 2025; 14 November 2025; and 23 January 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Agree on outputs and targets with provincial departments in line with grant objectives for 2025/26<br>• Provide the guidelines and criteria for the development, approval and implementation of business plans<br>• Provide a template for project registration and reporting<br>• CASP transfers (planned, actual and revised) related to infrastructure projects must be reported in the national infrastructure reporting model<br>• In preparation for the merger, the DoA shall, in consultation with Provincial departments of agriculture and national treasury, review the conditional grants Standard Operating Procedure, review the grant frameworks and grant allocations guided by the 2024 National Food and Nutrition Security Survey Report and the comprehensive producer development support policy among others<br>• Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly<br>• Submit monthly financial reports to National Treasury 20 days after the end of the month<br>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter<br>• Submit an annual evaluation performance report to National Treasury within four months after the end of the financial year<br>• Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings |
| | **Responsibilities of the provincial departments**<br>• Provinces to adhere to the conditions of this framework and the 2025 Division of Revenue Act<br>• Provinces to submit a detailed project list and project profiles as per the DoA project list template<br>• Provinces must report infrastructure projects and related infrastructure support funded through CASP in the provincial infrastructure reporting model monthly and quarterly<br>• Provinces to implement the CASP business plans as approved<br>• All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the 2025 Division of Revenue Act when executing projects as well as for reporting purposes<br>• In preparation for the merger of the grants, provinces shall participate in all meetings and workshops arranged by DoA to review the Standard operating procedure, the grant frameworks and grant allocations<br>• Provinces are to report monthly (for financial performance) 15 days after the end of each month, and quarterly (for non-financial performance) 20 days after the end of each quarter, and annually two months after the end of the financial year on the progress and achievements of the programme<br>• Submit quarterly project performance reports to DoA<br>• Assign and delegate officials to manage and monitor the implementation of the programme before April 2025<br>• Keep a record of projects supported<br>• Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving CASP goals<br>• Provinces to adhere to the approved CASP standard operating procedure framework |
| **Process for approval of 2026/27 business plans** | • Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 23 May 2025<br>• DoA to develop a roadmap to guide provinces on the timelines for the merger and the submission of business for the 2026/27 financial year<br>• Submission of provincial CASP business plans by provinces by 29 August 2025<br>• Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2025 prior to final national assessment panel meeting<br>• Evaluation and recommendation of business plans by national assessment panel between November 2025 and February 2026<br>• Send funding agreements to provinces by February/March 2026 to be signed by heads of departments, Chief Financial Officers, and CASP coordinators<br>• Approval of business plans by the transferring officer before 27 March 2026<br>• Inform provinces of approval of the business plans by March/April 2026<br>• Approval by the transferring officer regarding 2026/27 business planning process compliance during April 2026 and send to the National Treasury by end April 2026 |

| Ilima/Letsema Projects Grant | |
|---|---|
| **Transferring department** | • Agriculture (Vote 29) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To reduce poverty through increased food production initiatives |
| **Grant purpose** | • To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production within strategically identified grain, livestock, horticulture and aquaculture production areas |
| **Outcome statements** | • Increased agricultural production of field crops such as grains and oilseeds, livestock, horticulture, fibre and aquaculture at both household and national level<br>• Improved access to production inputs<br>• Number of black subsistence, smallholder and distressed commercial farmers supported<br>• Increased quantities (tons) of agricultural commodities produced by smallholder and household farmers<br>• Reduced underutilisation of land in high potential areas in the state-owned land and former homelands<br>• Improved farm income (in rands)<br>• Increased job opportunities<br>• Reduced poverty and improved food security<br>• Rehabilitated and expanded irrigation schemes |
| **Outputs** | • Land under agricultural production (field crops such as grains and oilseeds, horticulture fibre, and livestock)<br>• Beneficiaries/farmers supported by the grant per category<br>• 50 per cent women, 40 per cent youth and 6 per cent people living with disabilities (farmers supported per category)<br>• Superior breeding animals acquired and distributed to farmers<br>• Job opportunities created<br>• Hectares of rehabilitated and expanded irrigation schemes<br>• Partnerships with commodity organisations<br>• Community gardens supported<br>• School gardens supported |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation |
| **Details contained in the business plan** | • Outcome indicators<br>• Outputs indicators<br>• Inputs<br>• Key activities<br>• Monitoring framework<br>• Risks and mitigation strategies |
| **Conditions** | • Ilima/Letsema grant should be allocated to support food production (crop and livestock production) in support of the Fetsa Tlala initiatives, prioritising vulnerable households, communal areas and areas under traditional leadership, targeting subsistence and smallholder producers supported with inputs and mechanisation<br>• Only commercial farmers in distress can receive production inputs from Ilima/Letsema to assist with their production and recovery<br>• Partnerships with black commodity organisation should be prioritised for joint support, joint funding and joint implementation<br>• At most 30 per cent of Ilima/Letsema allocations can be used for rehabilitation of irrigation schemes in Eastern Cape, Free State, Northern Cape, North West and KwaZulu-Natal. All assisted farmers should be listed in the provincial and national farm registers<br>• The funds will be transferred as per the disbursement schedule approved by National Treasury; and only after receipt of performance reports against already transferred allocations. Provinces must inform the transferring officer of any proposed changes to business plans. Such changes must be approved by the transferring officer before they are implemented<br>• The business plans must be signed-off by the heads of the provincial agriculture departments in collaboration with the Chief Financial Officers or their representatives, and co-signed by the heads of provincial treasuries<br>• The signed business plans must be submitted to the Department of Agriculturet (DoA) for approval<br>• The project list contained in the business plan must be submitted in the provincial infrastructure reporting model by provinces utilising funds for irrigation schemes |
| **Allocation criteria** | • The formula used to allocate funds is a weighted average of the following variables: agricultural land available, previous homeland areas, households involved in agriculture (General Household Survey 2019), food insecure areas and national priority areas targeted for increased food production and previous Ilima/Letsema performance |
| **Reasons not incorporated in equitable share** | • The funding originated with the special poverty allocations made by national government for a specific purpose and requires tight conditionality to achieve the national goal<br>• Agriculture is identified as a game changer and investment in agriculture must be guided under strict conditions to achieve aspirations of the National Development Plan<br>• In 2026/27 the grant will merge with the Comprehensive Agricultural Support Programme Grant. The grant will continue to support both commercial and subsistence farmers. This merger will streamline administration, improve resource allocation and ensure clear, equitable support for both commercial and subsistence farming |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R585 million available and transferred to provinces, R546 million (94 per cent) was spent |

| Ilima/Letsema Projects Grant | |
|---|---|
| | **2023/24 service delivery performance**<br>• 62 248 subsistence farmers were supported<br>• 16 563 smallholder farmers were supported<br>• 22 black commercial farmers were supported<br>• 16 415 jobs created<br>• 64 563 households supported with starter packs for backyard gardens<br>• 232 schools assisted in establishing food gardens (Free State, Gauteng, Limpopo, North West and Western Cape)<br>• 8 582 community food gardens established (Free State, Gauteng, Limpopo, Mpumalanga, North West and Western Cape)<br>• 85 438 beneficiaries supported by the programme (59 per cent were women, 16 per cent were youth and 0.5 per cent were people with disabilities)<br>• 86 424 hectares of land cultivated<br>• Between three and seven tons per hectare of maize achieved<br>• Vaalharts and Makhathini irrigation schemes were revitalised |
| **Projected life** | • Grant continues until 2026/27 |
| **MTEF allocations** | • 2025/26: R677 million; 2026/27: R708 million; and 2027/28: R741 million |
| **Payment schedule** | • Four instalments: 9 May 2025; 29 August 2025; 31 October 2025; and 23 January 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Agree on outputs and targets with provincial departments in line with grant objectives for 2025/26<br>• Provide the guidelines and criteria for the development and approval of business plans<br>• Provide template for project registration and reporting<br>• Transfers for infrastructure projects must be reported in the national infrastructure reporting model<br>• In preparation for the merger, the DoA shall, in consultation with provincial departments of agriculture and National Treasury, review the conditional grants standard operating procedure, review the grant frameworks and grant allocations guided by the 2024 National Food and Nutrition Security Survey Report and the comprehensive producer development support policy among others. Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly<br>• Submit monthly financial reports to National Treasury 20 days after the end of the month<br>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter<br>• Submit annual evaluation of performance report to National Treasury within four months after the end of the financial year<br>• Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings |
| | **Responsibilities of the provincial departments**<br>• Provinces to adhere to the conditions of this framework and the 2025 Division of Revenue Act (DoRA)<br>• Provinces to submit detailed project list as per the DoA project list template<br>• Provinces must report infrastructure projects and related infrastructure support funded through the grant in the provincial infrastructure reporting model monthly and quarterly<br>• In preparation for the merger of the grants, provinces shall participate in all meetings and workshops arranged by DoA to review the standard operating procedure, the grant frameworks and grant allocations<br>• Provinces to report monthly (on financial performance) 15 days after the end of each month, and quarterly (on non-financial performance) 20 days after the end of each quarter, and annually two months after the end of the financial year on the progress and achievements of the programme<br>• Provinces to implement the Ilima/Letsema business plans as approved<br>• All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the 2025 DoRA when executing projects as well as for reporting purposes<br>• Assign and delegate officials to manage and monitor implementation of the programme by 28 March 2025<br>• Keep records of projects supported<br>• Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving Ilima/Letsema goals |
| **Process for approval of 2026/27 business plans** | • Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 27 May 2025<br>• DoA to develop a roadmap to guide provinces on the timelines for the merger and the submission of business for the 2026/27 financial year<br>• Submission of provincial Ilima/Letsema business plans by provinces on 29 August 2025<br>• Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2025 prior to final national assessment panel meeting<br>• Evaluation and recommendation of business plans by national assessment panel between November 2025 and February 2026<br>• Send funding agreements to provinces by February/March 2026 to be signed by heads of departments, Chief Financial Officers and Ilima/Letsema coordinators<br>• Approval of business plans by the transferring officer before 27 March 2026<br>• Inform provinces of approval of the business plans in March or April 2026<br>• Approval by the transferring officer regarding 2026/27 business planning process compliance during April 2026, and send to National Treasury by the end of April 2026 |

| LandCare Programme Grant: Poverty Relief and Infrastructure Development | |
|---|---|
| **Transferring department** | • Agriculture (Vote 29) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To optimise productivity and sustainability of natural resources leading to greater productivity, food security, job creation and better quality of life for all |
| **Grant purpose** | • 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 |
| **Outcome statements** | • Improved veld grazing and carrying capacity and livestock productivity<br>• Improved production potential of arable land leading to increased yield<br>• Improved quantity and quality of South Africa's water resources through projects in SoilCare, VeldCare, Conservation Agriculture and WaterCare focus areas of LandCare programmes<br>• Improved youth participation in the agricultural sector through agricultural schools activities and intergenerational skills transfer to develop the capacity of youth as well as provide an opportunity to learn agricultural skills and knowledge<br>• Improved custodianship and stewardship of natural agricultural resources through community-based initiatives by all land users<br>• Improved livelihoods of rural communities within the ambit of the green economy<br>• Improved partnerships with private, public, non-governmental organisations and community sectors<br>• Improved knowledge and skills base of participants and land users<br>• Enhanced ecosystem services and biodiversity for current and future generations<br>• Improved governance of natural agricultural resources of the country<br>• Improve policy and legislative frameworks for natural agricultural resources management<br>• Sustained renewable energy solutions for small scale/emerging farmers aligned to farm management plan |
| **Outputs** | • Hectares of rangeland protected and rehabilitated<br>• Number of hectares of agricultural land under fodder production<br>• Hectares of arable land protected and rehabilitated<br>• Hectares of land under conservation agriculture<br>• Number of farmers using conservation agriculture<br>• Number of youths and agricultural schools successfully attended all the organised Junior LandCare initiatives<br>• Number of schools supported through JuniorCare activitiesNumber of hectares of land where water resources are protected and rehabilitated<br>• Number of capacity building initiatives conducted for land carers and institutions<br>• Number of people who benefited from capacity building initiatives<br>• Number of awareness campaigns conducted<br>• Number of people more aware of sustainable use of natural agricultural resources<br>• Hectares of land where weeds and invader plants are under control<br>• Hectares of land where bush encroachment is under control<br>• Number of kilometres of fence erected<br>• Number of green jobs created expressed as full-time equivalents<br>• Number of LandCare committees established<br>• Number of protocols, guidelines, strategies, policy and legislative frameworks developed for natural resources management<br>• Number of agricultural schools supported<br>• Number of agricultural graduates' projects/initiatives supported<br>Number of renewable energy technologies supported |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation |
| **Details contained in the business plan** | • Project header<br>• Project background<br>• Farm plan map<br>• Farm management plan detail<br>• Beneficiaries and job creation<br>• Change pathways<br>• Pre-project assessment<br>• Risk assessment<br>• Implementation map<br>• Implementation details<br>• Exit strategy<br>• Monitoring and evaluation |

| LandCare Programme Grant: Poverty Relief and Infrastructure Development | |
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| **Conditions** | • Provinces must confirm capacity to implement projects before funds can be transferred<br>• The province to delegate the responsibility of the Receiving Officer to the Provincial LandCare Coordinator at a Deputy Director or Director level<br>• Provincial departments annual evaluations must be submitted two months after the end of the financial year using an approved LandCare template<br>• The impact (before and after) of the LandCare programme should also be quantified during initiation, implementation and handing-over phases of the projects<br>• Projects should be implemented guided by farm management plan in terms of Conservation of Agricultural Resources Act<br>• Provinces should report signed financial performance per project on the 15th of every month in compliance with the 2025 Division of Revenue Act. Provinces should report on the number of jobs created 15 days after the end of each month using an approved LandCare template. The number of jobs created should further be reported on the Expanded Public Works Programme reporting system<br>• Projects should adhere to the reporting dates as stipulated in the 2025 Division of Revenue Act and furthermore adhere to dates as agreed during the quarterly meetings and national LandCare secretariat<br>• Provinces should submit their portfolio of evidence (acknowledgement letters, project maps etc.) 30 days after the end of quarter to national LandCare secretariat. The report should be in line with quarterly and monthly reports<br>• Provinces should undertake skill audit of beneficiaries, provide training, and submit reports to the national Department of Agriculture (DoA)<br>• VeldCare projects should be comprehensive to include fencing, stock water system, bush control and value chain |
| **Allocation criteria** | • Allocations are based on an index comprising of nodes, land capability, poverty, degradation and land size derived from the following sources:<br>o nodes of the most deprived wards in the country<br>o land capability: total hectares class I, II and III (spatial analysis - land capability data)<br>o size: hectares (new boundaries from the Municipal Demarcation Board)<br>o poverty: poverty gap based on food poverty line of Statistic South Africa Living Conditions Survey 2018<br>o land degradation: hectares (Land Degradation Report 2018)<br>o policy imperatives and development for sustainable land management<br>o past performance by provinces |
| **Reasons not incorporated in equitable share** | • The funding originated with the special poverty allocations made by national government for a specific purpose |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Allocated R79 million and transferred R79 million to provinces, of which provinces spent R77 million (97 per cent) by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 16 350 hectares of rangeland protected and rehabilitated<br>• 0 hectares of arable land protected and rehabilitated<br>• 2 975 hectares of land under conservation agriculture<br>• 5 228 youths successfully attending organised Junior LandCare initiatives<br>• 78 household and school food gardens established through Junior LandCare<br>• 3 692 water sources developed or protected against over-utilisation<br>• 18 386 capacity building initiatives conducted for land carers<br>• 3 769 people with improved capacity and skill levels benefiting from capacity building initiatives<br>• 67 awareness campaigns conducted and attended by Land Carers<br>• 15 650 people more aware of sustainable use of natural resources<br>• 9 834 hectares of land where weeds and invader plants are under control<br>• 3 404 hectares of land where bush encroachment is controlled<br>• 214 kilometres of fencing erected<br>• 151 LandCare committees established |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R94 million; 2026/27: R99 million; and 2027/28: R103 million |
| **Payment schedule** | • Allocation to provinces will be disbursed on a quarterly basis (April 2025; August 2025; October 2025; and January 2026) |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Host national assessment panel to assess the projects with the provincial departments in line with grant objectives for 2025/26<br>• Review guidelines and standards for the implementation of the grant<br>• Provide the guidelines and criteria for the development and approval of business plans<br>• Monitor implementation through project site visits, reports, quarterly meetings with provinces and provide support to provinces<br>• Submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter |

| LandCare Programme Grant: Poverty Relief and Infrastructure Development | |
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| | • Submit evaluation reports to the National Treasury within four months after the end of the financial year |
| | **Responsibilities of provincial departments**<br>• Ensure that procurement processes and procedures have been adhered to and plan in place to source service providers proactively for the implementation of LandCare projects to commence on 1 April 2025<br>• Ensure that provinces organisational structure for programme 2 as prescribed by National Treasury is established and capacitated to manage LandCare and ensure adequate capacity of director, line functional managers of each area and soil scientists, pasture scientists, soil conservation technicians and engineers, land use planners and LandCare facilitators exists in the provinces to implement the LandCare projects<br>• Submit signed monthly financial report on the 15th day of every month<br>• Report jobs created to the DoA using the prescribed expanded public works programme reporting template/format within 15 days after the end of each month<br>• Submit signed quarterly reports (non-financial) with portfolio of evidence 30 days after the end of each quarter on the progress of the projects<br>• Provinces should further adhere to agreements approved in quarterly meetings on performance, reporting and any other matter related to natural resource management<br>• Implement projects according to the approved business plans. Deviation affecting outputs and budgets should first be communicated to the transferring officer in writing and approved before implementation<br>• Hold provincial assessment panels, use multidisciplinary team to assess individual projects plans, use LandCare standard assessment criteria before submission of preliminary individual and provincial business plans to DoA by 30 September 2025<br>• Monitor project implementation and evaluate the impact of projects in achieving LandCare goals<br>• Submit evaluation reports to DoA within two months after the end of the financial year<br>• Ensure and support the upscaling of conservation agriculture practices within communities<br>• Assist farmers with soil testing to improve and maintain soil health<br>• Conduct training for farmers and officials on soil fertility and testing, veld survey tools and veld management<br>• Provinces to attend Natural Resources Management Working Group (NRMWG) and other strategic meeting convened by DoA |
| **Process for approval of 2026/27 business plans** | • DoA must provide provincial departments with business plan formats and guidelines by July 2025<br>• Engagement by DoA with provinces on business plans submission before provincial assessment panel and submission of signed business plans prior to the national assessment panel<br>• Evaluation and recommendation of business plans by the national assessment panel before the end of March 2026<br>• Interactions with provinces on the national assessment panel comments and final submission of signed individual and provincial business plans by the provinces prior to approval by Accounting Officer<br>• Notify provinces of the approval of business plans before implementation |

# BASIC EDUCATION GRANTS

| Early Childhood Development Grant | |
|---|---|
| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To increase access to quality early childhood development (ECD) programmes for poor children |
| **Grant purpose** | • To increase the number of poor children accessing subsidised ECD programmes<br>• To support ECD providers delivering ECD programmes to meet basic health and safety requirements for registration<br>• To construct low-cost ECD centres |
| **Outcome statements** | • The provision of ECD to poor children contributing towards universal access<br>• Improving health and safety conditions in which early learning takes place |
| **Outputs** | • This grant has two components with detailed outputs, conditions and responsibilities for each component specified in separate frameworks. The two components are:<br>o infrastructure component<br>o subsidy component |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components which contain the following:<br>o project background<br>o project objectives<br>o scope of the work<br>o deliverables and outputs to be achieved<br>o risk assessment with mitigation plan |
| **Conditions** | • Conditional grant funding cannot be used to reduce overall provincial own revenue and equitable share funding allocated to ECD subsidies. Each province may use a maximum of R6 million of their total conditional grant allocation (subsidy plus infrastructure components) for administrative management of the grant which includes capacity to manage the grant and funding for assessments of ECD centres. Provinces may choose to use this amount from the allocation for either one of the components or both as outlined in the practice note<br>• All officials must be employed in line with the conditional grant on a three-years or more contract or permanently |
| **Allocation criteria** | • As specified in the two grant component frameworks |
| **Reasons not incorporated in equitable share** | • To allow DBE to better ring-fence expansion of ECD in the country and to facilitate compliance with the National Integrated ECD Policy approved by Cabinet on 9 December 2015 ensuring that the delivery and maintenance of any capital investment is coordinated in an efficient manner that is consistent with norms, standards and guidelines<br>• ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030 |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the total grant allocation of R1.2 billion, 100 per cent was transferred to provinces |
| | **2023/24 service delivery performance**<br>• 348 146 children benefitted from the subsidy |
| **Projected life** | • Given the nature of the programme and the drive to expand the provision of ECD services, the grant will be needed for the medium-term expenditure framework period, subject to review |
| **MTEF allocations** | • 2025/26: R1.9 billion; 2026/27: R2.1 billion; and 2027/28: R2.2 billion allocated as follows:<br>o subsidy component: 2025/26: R1.8 billion; 2026/27: R1.9 billion; and 2027/28: R2 billion<br>o infrastructure component: 2025/26: R162 million; 2026/27: R269 million; and 2027/28: R287 million |
| **Payment schedule** | • Quarterly instalments based on the approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Review the standardised reporting framework and monitoring tool<br>• Review the standardised format for the business plans<br>• Assess and approve the business plans submitted by provinces<br>• Monitor project progress and compliance with the conditional grant framework<br>• Manage, support, monitor and evaluate the implementation of the grant to provinces<br>• Submit a monthly financial report to the National Treasury 20 days after the end of the reporting month<br>• Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter<br>• Monitor the utilisation of the grant against the set outcomes and take appropriate action in cases of non-compliance with the framework<br>• Facilitate approval of the payment schedule and approval of in-year adjustments to the payment schedule<br>• The DBE will develop ECD infrastructure grant guidelines to be issued to the provinces by 28 March 2025<br>• Visit selected infrastructure sites in provinces |

| Early Childhood Development Grant | |
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| | • Support provinces to improve infrastructure delivery capacity and systems<br>• Provide guidance to provinces in planning and prioritisation |
| | **Responsibilities of provincial departments**<br>• Submit approved business plans signed off by the head of department to the DBE by 24 February 2025<br>• Implement the business plan as approved by the DBE<br>• Submit monthly financial reports to DBE 15 days after the end of the reporting month<br>• Provinces must upload all ECD maintenance projects on the infrastructure reporting model and update it monthly<br>• Submit quarterly performance reports to DBE within 30 days after the end of each quarter |
| **Process for approval of 2026/27 business plans** | • Engagements will be held with provincial departments on the submission of business plans between September 2025 and February 2026<br>• Submit final provincial business plan, including cash flow projections and compliance certificates signed-off by the heads of departments for the 2026/27 financial year must be submitted to DBE by 13 February 2026<br>• DBE must approve the final business plans by 31 March 2026 |

| Early Childhood Development Grant: Infrastructure Component | |
|---|---|
| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To increase access to quality early childhood development (ECD) programmes for poor children |
| **Grant purpose** | • To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration<br>• To construct low-cost ECD centres |
| **Outcome statements** | • The provision of ECD services to poor children contributing towards universal access<br>• Improving health and safety conditions in which early learning takes place |
| **Outputs** | • Number of ECD centres provided with Health and Safety support for compliance with registration<br>• Number of conditionally registered ECD centres maintained<br>• Number of low-cost ECD centres constructed |
| **Priority outcome(s) of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components (subsidy and infrastructure) which contains the following:<br>o project background<br>o project objectives<br>o scope of the work<br>o deliverables and outputs to be achieved<br>o risk assessment with mitigation plan |
| **Conditions** | **Health and Safety support**<br>• This allocation may be used for:<br>o unregistered ECD centres to provide health and safety support to enable conditional registration<br>o conditionally registered ECD centres to provide health and safety support to improve their registration status<br>• ECD Programmes must select ECD centres for health and safety support<br>**Maintenance and upgrading**<br>• This allocation may be used for:<br>o conditionally registered ECD centres to do minor infrastructure maintenance works and upgrades to enable them to improve their registration status<br>o infrastructure units in the provinces must receive a list of selected ECD centres for maintenance or upgrading from program centres must sign service level agreements with the provincial department before implementing maintenance or upgrades<br>o provinces shall include all projects in the final infrastructure asset management plan to be submitted at the end of March 2025<br>o all projects must be recorded on the infrastructure reporting model<br>o provinces must update the infrastructure project details for each funded project in the infrastructure reporting model. This must be approved and submitted to National Treasury and DBE within 22 days after the end of each quarter<br>**New centre construction**<br>• This allocation may be used for:<br>o construction of low-cost ECD centres where existing structures must be replaced or to address new demand in areas where the need is the greatest<br>o a maximum of R3 million may be used for the construction of new ECD centres, inclusive of all costs<br>• ECD centres must sign service level agreements with the provincial department before new construction of a centre<br>• Every province must construct at least one ECD centre in 2025/26<br>• Each province must include the number of ECD centres to be constructed and the costs for the construction in the business plan for 2025/26<br>• Provinces shall include all projects in the final infrastructure asset management plan to be submitted at the end of March 2025<br>• All projects must be recorded on the infrastructure reporting model<br>• Provinces must update the infrastructure project details for each funded project in the infrastructure reporting model. This must be approved and submitted to National Treasury and DBE within 22 days after the end of each quarter<br>**General conditions**<br>• DBE will develop guidelines for implementation that must be issued to the provinces by 28 March 2025<br>• All ECD sites may only benefit from this fund if they are eligible as per the requirements in the guideline issued by DBE<br>• All projects must be selected, planned and implemented in a manner consistent with the guideline issued by the DBE<br>• For conditionally registered centres a maximum amount of R500 000 per ECD centre may be spent on health and safety support, maintenance improvement and upgrades, inclusive of all costs (Value Added Tax, disbursements etc)<br>• Prior approval for any amount exceeding more than 20 per cent of the maximum amount per centre should |

| Early Childhood Development Grant: Infrastructure Component | |
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| | be obtained from the head of department or the Chief Financial Officer with a detailed assessment and cost analysis to justify the additional amount<br>• Provinces must conduct assessments of conditionally registered ECD sites and cost them in order to qualify for funding in 2026/27 and submit by 30 September 2025 |
| **Allocation criteria** | • The provincial infrastructure allocations are determined based on:<br>o a base allocation for the construction of at least one low cost ECD<br>o the allocation of the balance is based on the ECD census data |
| **Reasons not incorporated in equitable share** | • To allow DBE to manage the expansion of ECD in the country and to facilitate compliance to the National Integrated ECD Policy approved by Cabinet on 9 December 2015 ensuring that the delivery and any capital investment is coordinated in an efficient manner that is consistent with norms, standards and guidelines<br>• ECD is a national priority and requires uniform implementation to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030 |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the total maintenance grant allocation of R81 million, R81 million (100 per cent) was transferred to provinces, with provinces spending R57 million (72 per cent) by end of the financial year |
| | **2023/24 service delivery performance**<br>• 336 ECD centres were maintained and 2 new low-cost ECD centres were constructed |
| **Projected life** | • Given the nature of the programme and the drive to expand provision of ECD services, the grant will be needed for the medium-term expenditure framework period, subject to review |
| **MTEF allocations** | • 2025/26: R162 million; 2026/27: R269 million; and 2027/28: R287 million |
| **Payment schedule** | • Quarterly instalments according to approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• DBE will develop ECD infrastructure grant guidelines for each of the two areas listed above that must be issued to the provinces by 28 March 2025<br>• DBE will conduct monitoring on the grant, support provincial education departments and consolidate quarterly grant performance reports received from PEDs<br>• DBE ensures all provinces adhere to norms and standards developed for ECD |
| | **Responsibilities of provincial departments**<br>• Provinces must provide a procurement plan on how they will implement their projects in the 2026/27 financial year by 30 August 2025<br>• The ECD infrastructure project manager must maintain a secure database of all ECD centres that have been assisted with maintenance, upgrades or new construction<br>• The ECD programme manager must maintain a secure database of all ECD centres that have received health and safety support<br>• The ECD programme manager must maintain a secure database of all ECD centres that have improved their registration status<br>• Provinces must record all maintenance and new construction projects on the national infrastructure reporting model and education facilities management system<br>• Provinces must adhere to the requirements in the ECD infrastructure grant guidelines issued by DBE in the implementation of the grant<br>• Provincial education departments must comply with the framework for infrastructure delivery and procurement management in the planning and implementation of projects |
| **Process for approval of 2026/27 business plans** | • Engagements will be held with provincial departments on the submission of business plans between September 2025 and February 2026<br>• Provincial education of department to submit approved business plans signed off by the head of department to the DBE by 24 February 2026<br>• The transferring officer must approve the final business plans by 31 March 2026 |

| Early Childhood Development Grant: Subsidy Component | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To increase access to quality early childhood development (ECD) programmes for poor children |
| **Grant purpose** | • To increase the number of poor children accessing subsidised ECD programmes |
| **Outcome statements** | • The provision of ECD programmes to poor children contributing towards universal access |
| **Outputs** | • Number of eligible children subsidised, as agreed in the service level agreement (SLA)<br>• Number of all children enrolled in ECD programmes in fully registered ECD centres<br>• Number of all children enrolled in ECD programmes in conditionally registered ECD centres<br>• Number of children subsidised from the conditional grant in fully registered ECD centres<br>• Number of children subsidised from the conditional grant in conditionally registered ECD centres<br>• Number of days subsidised for centre-based programmes<br>• Number of children subsidised through provincial own revenue including equitable share that are benefiting from the top-up grant in fully registered and conditionally registered ECD programmes<br>• Number of children subsidised from the equitable share in fully registered ECD centres<br>• Number of children subsidised from the equitable share in conditionally registered ECD centres<br>• Number of all children enrolled in fully registered non-centre based programmes<br>• Number of all children enrolled in conditionally registered non-centre based programmes<br>• Number of children subsidised from the conditional grant in fully registered non-centre based programmes<br>• Number of children subsidised from the conditional grant in conditionally registered non-centrebased programmes<br>• Number of ECD practitioners and other staff employed in fully and conditionally registered ECD programmes benefiting from the conditional grant |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • The provincial departments will use a single business plan issued by the national Department of Basic Education (DBE) for the two grant components (i.e. subsidy and infrastructure) which contains the following:<br>o project background<br>o project objectives<br>o scope of the work<br>o deliverables and outputs to be achieved<br>o risk assessment with mitigation plan |
| **Conditions** | • Only fully and conditionally registered ECD programmes (centre and non-centre-based) will be eligible for the subsidy<br>• The subsidy is targeted for children from birth until the year before children enter formal school or in the case of children with developmental difficulties and disabilities, until the year before the calendar year they turn six, which marks the age of compulsory schooling or special education<br>• The provincial education departments and ECD programmes will enter into SLAs which stipulate the purpose of the subsidy, the amount of the subsidy, conditions of the subsidy and obligations of both provincial education departments and ECD programmes with regard to the payment of the subsidy, compliance to funding and the reporting requirements<br>• The value of the subsidy paid to each centre-based ECD programme is R17 multiplied by the number of days (264), multiplied by the number of qualifying children attending the centre-based ECD programme as agreed to in the SLA<br>• The value of the subsidy paid to each registered non-centre-based ECD programme is R6 multiplied by the number of sessions, multiplied by the number of qualifying children attending as agreed to in the SLA<br>• The full value of the subsidy will be paid in equal parts in line with the SLA and any changes to the payment schedule must be aligned to a determination of non-compliance as defined in the SLA<br>• Once funds are transferred to an ECD programme, the department may not pre-approve how the funds are to be utilised other than what is stipulated in the SLA<br>• All allocations must be aligned to the number of children as per the SLA and can only be reduced as per the process outlined in the SLA. Allocations must not be changed in-year, based on how many children attend<br>• The subsidy must target qualifying children in centre and non-centre-based programmes in line with the process set out below:<br>o eligible programmes in designated priority municipal wards are to be targeted for full |

| Early Childhood Development Grant: Subsidy Component | |
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| | subsidy funding up to the total confirmed enrolment of the programme. These programmes will not be subject to any individual income-based means test<br>o eligible programmes which provide proof that 80 per cent or more enrolled children meet the income-based means test described below, are to be prioritised for full subsidy funding up to the total confirmed enrolment<br>o eligible programmes not in designated wards, where less than 80 per cent of enrolled children meet the income-based means test, will be funded on a per child basis<br>o a child is eligible to be subsidised if his/her parents' income falls below the following prescribed test<br>**Income-based means test:**<br>• Income of parents or caregivers may not exceed the means test values applied for the receipt of the child support grant for a single parent and married parents as gazetted by the national Department of Social Development in 2023. This is updated each year with an increase in the grant value<br>• In the case of children receiving a child related social assistance grant; original, reprinted or certified copies of proof of receipt of the child related grant (child support grant or the foster care grant) as issued by the South African Social Security Agency must be submitted<br>• In the case of children who are not beneficiaries of a child related grant the following must be submitted:<br>o proof of income of parents (or caregivers)<br>o three months bank statements of parents or guardians<br>o affidavit declaring status of income |
| **Allocation criteria** | • The provincial subsidy allocations are determined based on the gap between:<br>o the number of poor children that should be accessing ECD subsidy<br>o the number of poor children currently accessing the ECD subsidy |
| **Reasons not incorporated in equitable share** | • To allow DBE to better facilitate the expansion of ECD services in the country<br>• ECD is a national priority and requires uniform implementation in order to achieve the minimum coverage of 60 per cent of all poor children and to have the desired impact of achieving universal access by 2030 |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R1.1 billion on the subsidy component, 100 per cent has been transferred to provinces |
| | **2023/24 service delivery performance**<br>• 348 146 children benefitted from the subsidy |
| **Projected life** | • Given the nature of the programme and the drive to expand the provision of ECD services, the grant will be needed for the medium-term expenditure framework period, subject to review |
| **MTEF allocations** | • 2025/26: R1.8 billion; 2026/27: R1.9 billion; and 2027/28: R2 billion |
| **Payment schedule** | • Quarterly instalments according to approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Review standardised SLAs to be entered into between provincial departments of basic education and ECD programmes if necessary<br>• Review the standardised business plan<br>• Develop guidelines for the implementation of the ECD subsidy |
| | **Responsibilities of provincial departments**<br>• Conclude SLAs with ECD programmes in a format prescribed by the DBE<br>• Ensure that payments are made in line with the payment schedule as per the SLAs with ECD programmes<br>• Subsidies must be made into the ECD programmes designated bank accounts, which must be with a registered deposit taking institution in the Republic of South Africa<br>• Subsidies may only be reduced in cases of non-compliance as outlined in the prescribed SLA<br>• Use the information reported in the quarterly reports from ECD programmes to develop and maintain a master list of all children benefitting from the ECD subsidy<br>• Maintain a secure database on the status of registration of all ECD programmes in the province that is inclusive of the following basic information:<br>o registration status<br>o capacity of the centre<br>o number of children enrolled<br>o number of children subsidised<br>o number of children with disabilities subsidised<br>o number of children with disabilities enrolled |
| **Process for approval of the 2026/27 business plans** | • Provincial department of education to submit approved business plans signed-off by the head of department to the DBE by 24 February 2026. The transferring officer must submit payment schedules and compliance certificates by February 2026<br>• The transferring officer must approve provincial business plans by 31 March 2026 |

| Education Infrastructure Grant | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 4, Part A |
| **Strategic goal** | • To supplement provinces to fund the provision of education infrastructure in line with the regulations relating to minimum uniform norms and standards for public school infrastructure |
| **Grant purpose** | • To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in education including district and circuit accommodation<br>• To address achievement of the targets set out in the minimum norms and standards for school infrastructure<br>• To address damages to infrastructure<br>• To enhance capacity to deliver infrastructure in education |
| **Outcome statements** | • Improved quality of education service delivery by provincial departments as a result of an improved and increased stock of school infrastructure<br>• Aligned and coordinated approach to infrastructure development at the provincial sphere<br>• Improved education infrastructure expenditure patterns<br>• Improved response to the rehabilitation of school infrastructure<br>• Improved rates of employment and skills development in the delivery of infrastructure<br>• Improved safety in school facilities through occupational health and safety |
| **Outputs** | • Number of new schools, additional education spaces, education support spaces and administration facilities constructed as well as equipment and furniture provided<br>• Number of existing schools' infrastructure upgraded and rehabilitated including schools constructed of asbestos material and other inappropriate material<br>• Number of new and existing schools maintained<br>• Number of disaster damaged schools rehabilitated<br>• Number of schools provided with water, sanitation, and electricity<br>• Number of work opportunities created<br>• Number of new special schools provided, and existing special and full-service schools upgraded and maintained |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • This grant uses an infrastructure plan that includes:<br>o the infrastructure programme management plan<br>o the procurement strategy<br>o the capacitation strategy<br>o the infrastructure reporting model<br>o the year-end evaluation report |
| **Conditions** | • Provinces may utilise a portion of grant funding for the appointment of public servants on a permanent basis to their infrastructure units in line with human resource capacitation circular published by National Treasury (including maximums set in the circular)<br>• The flow of each instalment of the grant depends upon provinces submitting to national Department of Basic Education (DBE), provincial treasuries and National Treasury financial and non-financial performance reports on programmes partially and fully funded by the grant<br>• The flow of the first instalment of the grant depends upon receipt by the DBE and provincial treasuries and National Treasury of:<br>o approved and signed-off infrastructure plan with tabled prioritised project lists for the 2025 medium-term expenditure framework (MTEF) by no later than 14 March 2025. The infrastructure plan must, where applicable, also include the implementation plans for schools affected by natural disasters<br>o approved and signed-off infrastructure project list (Table B5) for the 2025 MTEF on the infrastructure reporting model<br>o preventative and corrective maintenance plan for all maintenance programmes over the 2025 MTEF period accompanied by a project list no later than 14 March 2025<br>• The flow of the second instalment depends upon receipt by DBE, provincial treasuries and National Treasury of the approved and signed-off:<br>o monthly infrastructure reports in a format determined by the National Treasury and DBE<br>o a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the fourth quarter of the 2024/25 financial year no later than 29 April 2025<br>o a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the fourth quarter of the 2024/25 financial year within 22 days after the end of the fourth quarter<br>• The flow of the third instalment is dependent upon receipt by DBE, provincial treasuries, and the National Treasury, on a date and in a format determined by National Treasury, of the approved and signed-off:<br>o infrastructure plans for all infrastructure programmes for a period of 10 years (including the initial list of prioritised projects) on a date specified in the performance-based approach guidelines |

| Education Infrastructure Grant | |
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| | ○ the 2025/26 project list must be drawn from the prioritised project list for the MTEF tabled in 2024/25<br>○ preventative and corrective maintenance plans for all maintenance programmes over the MTEF period accompanied by a project list on a date specified in the performance-based approach guidelines<br>○ monthly infrastructure reports in the format determined by National Treasury and the DBE<br>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the first quarter of 2025/26 by 25 July 2025<br>○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the first quarter of the 2025/26 financial year within 22 days after the end of the first quarter<br>○ the conditional grant year-end evaluation report on financial and non-financial performance no later than 27 May 2025<br>• The flow of the fourth instalment is conditional upon receipt by the DBE and provincial treasuries and National Treasury of the approved and signed off:<br>○ monthly infrastructure reports in the format determined by National Treasury and the DBE<br>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the second quarter of 2025/26 by 24 October 2025<br>○ infrastructure programme management plans for infrastructure programmes envisaged to commence within the period for the MTEF on a date specified in the performance-based approach guidelines<br>○ procurement strategy for infrastructure programmes envisaged to commence within the period of the MTEF on a date specified in the performance-based approach guidelines<br>○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the second quarter of the 2025/26 financial year within 22 days after the end of the second quarter<br>• The flow of the fifth instalment is conditional upon receipt by the DBE, the relevant provincial treasuries and National Treasury on a date determined by National Treasury, of the approved and signed-off:<br>○ monthly infrastructure reports in the format determined by National Treasury and the DBE<br>○ a summary report on all projects that have reached practical completion and captured on the education facilities management system mobile application for the third quarter of 2025/26 to DBE no later than 20 January 2026<br>○ a report on the filling of posts on the approved establishment for the infrastructure unit in the format approved by National Treasury for the third quarter of the 2025/26 financial year within 22 days after the end of the third quarter<br>• Provincial education departments must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery funded from the grant<br>• Provincial education departments must comply with the framework for infrastructure delivery and procurement management<br>• Provincial education departments must provide school governing bodies with maintenance guidelines to conduct minor maintenance. This should be in accordance with the sector maintenance strategy<br>• Provincial education departments should allocate no less than 60 per cent of the Education Infrastructure Grant allocation to address preventative and corrective maintenance at schools, which should appear as such on the infrastructure reporting model and MTEF database<br>• Provincial education departments to prioritise and fund from the grant, the eradication of pit latrines and other unacceptable forms of sanitation<br>• The grant allocation can be transferred to schools in line with the guidelines which will be issued by DBE<br>• Provincial education departments to prioritise the rehabilitation of storm damaged schools, schools built of asbestos and other inappropriate material<br>• In implementing the three streams model, provincial education departments to prioritise the planning for construction of technical schools and schools of skill as well as conversion of academic stream schools to vocational and occupational streams in 2025/26, for commissioning of projects in 2026/27<br>• Provincial education departments may use multiple implementing agents when implementing projects funded from the grant<br>• To promote conducive teaching and learning within the acceptable occupational, health and safety standards, provincial education departments must implement maintenance projects in all education facilities<br>• In schools without section 21 responsibilities, provincial education departments should put in place the necessary measures to ensure that planned maintenance at these schools occurs as per the scheduled maintenance plan for such schools<br>• Provincial education departments must provide all the necessary equipment and furniture in the spaces provided when constructing new projects<br>• Provincial education departments must submit their plans for the procurement of mobile classrooms to the DBE and any deviation from these plans should be approved in writing by the DBE<br>• Provincial education departments to ensure cost-effectiveness as they implement infrastructure projects |

| Education Infrastructure Grant | |
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| | • The DBE approved 10-point plan must be implemented to ensure improvements in infrastructure delivery<br>• Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of transfers<br>• The following amounts are allocated through the Budget Facility for Infrastructure for the construction of schools in Gauteng and Western Cape. These funds may only be used for these projects and are subject to the conditions set out in the 2025 MTEF preliminary allocation letter to DBE:<br>o Gauteng: R498 million in 2025/26<br>o Western Cape: R1.3 billion in 2025/26 |
| **Allocation criteria** | • Allocations for 2025/26 are based on historical allocations for this grant<br>• Allocations also include incentive-based allocations as described in part 4 to Annexure W1 of the 2025 Division of Revenue Bill |
| **Reasons not incorporated in equitable share** | • Funding infrastructure through a conditional grant enables the national department to ensure the delivery and maintenance of education infrastructure in a coordinated and efficient manner, consistent with national norms and standards for school buildings |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R12.3 billion allocated, R12.3 billion (100 per cent) was transferred and spent by provinces |
| | **2023/24 service delivery performance**<br>• 2 265 teaching spaces and 72 administrative spaces provided<br>• 1 464 maintenance projects, 474 water, 554 sanitation, 112 electricity and 102 fencing infrastructure projects<br>• Completed five boarding facilities<br>• The sector has provided a total of 22 new and replacement schools in provinces, while 108 schools commenced with construction |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R15.3 billion; 2026/27: R16.8 billion; and 2027/28: R16.8 billion |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Visit selected infrastructure sites in provinces<br>• DBE and National Treasury to support provinces to improve infrastructure delivery capacity and systems<br>• Provide guidance to provinces in planning and prioritisation<br>• Issue guidelines on the capacitation process of infrastructure units as well as the conditions attached to the utilisation of the funding<br>• DBE and National Treasury to jointly evaluate progress with the capacitation of provincial infrastructure units and provide feedback to all provinces in terms of the guidelines<br>• DBE and National Treasury must jointly evaluate and provide feedback to all provinces on the assessment of all documents as outlined on the performance-based approach system guidelines<br>• Assess the reports submitted by provincial education departments and provide feedback before transferring the instalment<br>• Submit reports to the National Treasury in terms of quarterly achievements by provincial education departments<br>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated time frames of the 2025 Division of Revenue Act (DoRA) |
| | **Responsibilities of provincial departments**<br>• Approve monthly provincial infrastructure reports on infrastructure programme in the infrastructure reporting model within 15 days after the end of each month and submit to the relevant provincial treasury and DBE<br>• Submit a signed-off monthly provincial infrastructure report on infrastructure programmes in the infrastructure reporting model within 22 days after the end of each month to the relevant provincial treasury, DBE and National Treasury<br>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated time frames in 2025 DoRA<br>• Submit quarterly capacitation reports within 22 days after the end of each quarter<br>• Ensure that section 42 transfers as per the Public Finance Management Act are effected |
| **Process for approval of 2026/27 business plans** | • The process for approval for the 2026 MTEF allocations will be in line with the performance-based incentive approach guidelines published by National Treasury |

| HIV and AIDS (Life Skills Education) Grant | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • Addressing social and structural drivers of HIV, sexually transmitted infections (STIs) and tuberculosis (TB) prevention, care and impact<br>• Contribute to preventing new HIV, STIs and TB infections<br>• To increase access to sexual and reproductive health services including HIV, as well as TB services for learners and educators, with a specific focus on schools that are located in high priority areas |
| **Grant purpose** | • To support South Africa's HIV prevention strategy by:<br>o providing comprehensive sexuality education and access to sexual and reproductive health services to learners<br>o supporting the provision of employee health and wellness programmes for educators<br>• To mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners, educators and school support staff<br>• To reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned children and girls |
| **Outcome statements** | • Increased HIV, STI and TB knowledge and skills amongst learners, educators, school support staff and officials<br>• Decrease in risky sexual behaviour among learners, educators, school support staff and officials<br>• Decreased barriers to retention in schools, in particular for vulnerable learners (girls and boys) |
| **Outputs** | • 5 674 educators trained to implement comprehensive sexuality education and TB prevention programmes for learners to be able to protect themselves from HIV and TB and the associated key drivers including alcohol and drug use, leading to unsafe sex, learner pregnancy and HIV infection, prioritising schools located in areas with a high burden of HIV and TB infections<br>• 3 520 school management teams and school governing bodies trained to develop policy implementation plans focusing on keeping mainly young girls in school, ensuring that comprehensive sexuality education and TB education is implemented for all learners in schools, access to comprehensive sexual and reproductive health and TB services. A provision for training will also address multiple sexual partnerships among boys and learner pregnancy prevention<br>• Co-curricular activities on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services implemented in 12 016 primary and secondary schools including a focus on prevention of alcohol, drug use and learner pregnancy, targeting 93 466 learners. Priority will be in schools located in high priority areas. Co-curricular activities in primary schools will focus on raising awareness of social issues and vulnerabilities, such as how to report abuse and support affected learners<br>• Care and support programmes implemented to reach 142 430 learners and 3 610 educators. Expand the appointment of learner support agents to 2 575 to support vulnerable learners prioritising primary schools, using the care and support for teaching and learning framework<br>• 70 810 copies of curriculum and assessment policy statement compliant material, including material for learners with barriers to learning, printed and distributed to 24 080 schools. Printing of the school policy pack will be prioritised over learner teacher support material to ensure that all schools have a copy of the Department of Basic Education's (DBE) National Policy on HIV, STIs and TB for learners, educators, support staff and officials in all primary and secondary schools in the basic education sector; and the DBE Policy on the Prevention and Management of Learner Pregnancy (Learner Pregnancy Policy)<br>• Host advocacy and social mobilisation events with 140 333 learners and educators and 21 633 school community members on the DBE National Policy on HIV, STIs and TB; and the DBE Learner Pregnancy Policy to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services with 5 600 schools, including a focus on key risk behaviours, such as alcohol and drug use, learner pregnancy, inter-generational and transactional sex amongst girls, multiple concurrent sexual partnerships, power relations, respect for girls and other issues that compel negative behaviour amongst boys, as well as to advocate for the integrated school health programme including provision of sexual and reproductive health services such as contraception, STIs, pregnancy and HIV testing, condom distribution and information on safe circumcision in secondary schools<br>• 3 875 schools will be reached through monitoring and support visits |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | • Provincial education departments must distribute the grant allocation in accordance with the following weights for the key performance areas:<br>o support for prevention and management (to be integrated in existing focal areas)<br>o training and development (5 per cent)<br>o co-curricular activities (15 per cent)<br>o care and support (45 per cent) |

| HIV and AIDS (Life Skills Education) Grant | |
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| | ○ learning and teaching support material (10 per cent)<br>○ advocacy and social mobilisation (10 per cent)<br>○ monitoring and support (8 per cent)<br>○ management and administration (7 per cent)<br>• Provincial education departments must report on implementation and expenditure according to the above seven key performance areas per quarter<br>• Instalments are dependent on the DBE receiving these reports, adherence to approved business plans and attendance at the biannual inter-provincial meetings<br>• The above percentages are guidance and may be deviated from in accordance with provincial needs with the approval of the national transferring officer. However, provinces must prioritise areas with high rates of HIV, TB and learner pregnancy<br>• Deviations should be informed and motivated by achievements and/or critical challenges relating to the trends in the epidemic as relevant to respective provincial education departments<br>• Provincial education departments must ensure they have the necessary capacity and skills to manage the implementation of the grant<br>• First aid kits may no longer be funded from the conditional grant. In addition, condoms and sanitary pads must also not be funded from this conditional grant |
| **Allocation criteria** | • The education component of the provincial equitable share formula, as explained in part 4 of Annexure W1 of the 2025 Division of Revenue Bill, is used to allocate the grant amongst provinces |
| **Reasons not incorporated in equitable share** | • To enable the DBE to provide overall guidance, to ensure congruency, coherence and alignment with:<br>○ National Strategic Plan for HIV, TB and STIs (2023–2028)<br>○ DBE National Policy on HIV, STIs and TB for learners, educators, school support staff in all primary and secondary schools in the basic education sector<br>○ Learner Pregnancy Policy<br>• This enables the DBE to exercise an oversight role in the implementation of the HIV and AIDS life skills education programme in schools |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R242 million allocated to provinces, R28 million was reduced during in year monitoring and R214 million (100 per cent of adjusted allocation) was transferred to provinces, of which R229 million (93 per cent) was spent by the end of the financial year. Under-expenditure was noted in Free State, Limpopo, Mpumalanga and North West provinces |
| | **2023/24 service delivery performance**<br>• 7 011 life orientation educators and 3 242 educators trained in integration of life skills in the curriculum<br>• 32 218 functional peer education programmes were undertaken, 54 176 learners trained on the learner retention and learner pregnancy programme, 63 351 learners trained in the substance abuse programme<br>• 3 952 school-based support teams established, 2 889 learner support agents in schools, 3 797 school management teams and school governing bodies trained to develop policy implementation plans, and 198 175 vulnerable learners identified and referred for services<br>• 167 991 sets of learning and teaching support material delivered to 7 150 schools<br>• Advocacy reached 171 246 learners and educators as well as 52 386 members of the school communities on the new DBE National Policy on HIV, STIs and TB and Learner Pregnancy Policy to review and change societal norms and values on the provision of comprehensive sexuality education and access to sexual and reproductive health and TB services and reaching 5 539 schools through advocacy activities focusing on the prevention of TB<br>• 3 933 schools reached through monitoring and support visits |
| **Projected life** | • Grant will be reviewed on an ongoing basis to respond to nature and trends in the HIV and TB epidemics |
| **MTEF allocations** | • 2025/26: R262 million; 2026/27: R274 million; and 2027/28: R286 million |
| **Payment schedule** | • Four instalments: 15 April 2025; 29 July 2025; 28 October 2025; and 27 January 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• To provide evidence-based guidance towards the development of a standardised annual conditional grant framework and nine provincial specific annual business plans for the HIV and AIDS life skills education programme<br>• Identify risks and challenges impacting provincial implementation<br>• Develop risk management strategies to address these risks<br>• Ensure synergy with national strategies and processes aimed at reducing HIV and related chronic illnesses, such as TB infection together with the associated risk factors, such as alcohol and drug use, prevention of unbecoming behavior and teenage pregnancy in schools<br>• Agree on outputs and targets with provincial education departments in line with grant objectives and national imperatives for 2026/27 from 23 September 2025<br>• Monitor implementation of the programme and provide support to provinces<br>• Establish partnerships with key stakeholders<br>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter (including monthly and annual reports on the implementation of the programme |

| HIV and AIDS (Life Skills Education) Grant | |
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| | and expenditure against the allocated budget) |
| | **Responsibilities of the provincial departments**<br>• Ensure synergy with national strategies and processes aimed at reducing HIV and TB infections and other related issues including the associated risk factors such as alcohol and drug use, prevention of unbecoming behavior and teenage pregnancy in schools<br>• Identify risks and challenges impacting implementation<br>• Develop risk management strategies and implementation plans to address these risks<br>• Submit monthly reports, quarterly and annual performance evaluation reports to the DBE in line with the 2025 Division of Revenue Act and Public Finance Management Act<br>• Agree with the DBE on outputs and targets to ensure effective implementation and expenditure of the programme<br>• Monitor implementation of the programme and provide support to districts and schools<br>• Provincial education departments to implement the projects according to the approved business plans<br>• Any deviation should first be communicated to and approved by the DBE before implementation<br>• Evaluate and submit a provincial evaluation report on the performance of the conditional grant to the DBE in May/June 2025 (date will be determined by the national department) |
| **Process for approval of 2026/27 business plans** | • Communicating and meeting with provinces to inform targets for 2026/27 from 28 October 2025<br>• Provincial education departments submit draft business plans to DBE for evaluation from 28 November 2025<br>• DBE evaluates provincial business plans from 9 December 2025<br>• Comments sent to provincial education departments to amend the plans from 9 January 2026<br>• Provincial education departments submit amended and signed plans to DBE from 24 February 2026<br>• DBE approves provincial business plans from 2 April 2026 |

| Learners with Profound Intellectual Disabilities Grant | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To ensure that learners with severe to profound intellectual disabilities access quality, publicly funded education and support |
| **Grant purpose** | • To provide the necessary support, resources and equipment to identified special care centres and schools for the provision of education to children with severe to profound intellectual disabilities |
| **Outcome statements** | • Improved access to quality basic education for children with severe to profound intellectual disabilities in conditions that ensure dignity, promote self-reliance and facilitate active participation in the community |
| **Outputs** | • Nine deputy chief education specialists as provincial grant managers and 255 transversal itinerant outreach team members appointed to provide support in special care centres and targeted schools<br>• 483 special care centre data captured and managed using the South African School Administration and Management System<br>• 255 transversal itinerant outreach team members, 2 490 caregivers trained on the learning programme for learners with profound intellectual disabilities and other programmes that support the facilitation of the learning programme<br>• Number of caregivers trained on accredited training<br>• 9 672 children with severe to profound intellectual disabilities supported through a range of services<br>• 279 children with profound intellectual disabilities of school going age in special care centres placed in schools |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities<br>• Annual budget and resource allocation schedules<br>• Monitoring and reporting<br>• Risk management plan<br>• Cash flow projections<br>• Participating centres and schools list (separate annexure)<br>• Organogram for transversal itinerant outreach team within the district |
| **Conditions** | **Grant structure and allocation**<br>• The grant is utilised on an interventional basis and is not a general source of funding for all special care centres and schools<br>• The focus of the grant is children with severe to profound intellectual disabilities who are currently not accessing publicly funded education in special care centres<br>• Learners with severe, mild and moderate intellectual disabilities and with specific learning difficulties enrolled in special care centres should be assessed for placement in schools<br>• Schools that have enrolled learners with profound intellectual disabilities from special care centres in schools should be supported<br>• The learning programme for learners with profound intellectual disabilities should be used to guide the teaching of learners with profound intellectual disabilities in special care centres and targeted schools<br>• The allocation of funds per provincial education department should be divided as follows:<br>o 9 per cent for the training of caregivers<br>o 17 per cent for assistive devices, storage containers and top-up learning and teaching support materials and classroom furniture and equipment for newly on-boarded special care centres and designated schools for the benefit of learners with severe to profound intellectual disabilities from special care centres<br>o 65 per cent for compensation of transversal itinerant outreach team members and provincial grant managers<br>o 9 per cent for administration including travel, vehicles, accommodation and subsistence<br>• Provinces may deviate from the prescribed allocations only after having complied with the conditions of the framework and obtained the relevant approval from the transferring officer. The request for deviations must be submitted to the transferring officer no later than 14 November 2025<br>**Business planning process**<br>• The transferring and receiving departments must appoint or identify qualified and experienced person/s to administer, manage and coordinate the activities of the grant in accordance with the provisions of the framework and business plan<br>• In order to ensure the effective management of the grant, receiving departments should not allocate other responsibilities to a staff member appointed to manage the grant<br>• The receiving department must appoint outreach teams, as part of the district-based support team, made up of one senior education specialist (learning support - post level three), one chief education occupational therapist, one chief education speech therapist, one chief education physiotherapist and an educational psychologist<br>• In order to ensure effective and adequate support to learners, receiving departments should not allocate other responsibilities to a staff member appointed to manage the grant<br>• Outreach teams must be appointed and compensated in accordance with post levels as agreed upon with the national Department of Basic Education (DBE) |

| Learners with Profound Intellectual Disabilities Grant | |
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| | • Outreach team members must be appointed on district posts and be part of the district-based support team and be based at the district, circuit or school level, in order to ensure integration of the services they provide into district plans and efficiency when they facilitate and support the implementation of the learning programme and provide psycho-social and other therapeutic support to learners enrolled in special care centres and targeted schools<br>• Where in-service therapists are not available, outreach team members should provide therapeutic, including any other, support to learners with profound intellectual disabilities enrolled in schools<br>• The receiving department must facilitate and support the implementation of the learning programme for learners with profound intellectual disabilities in special care centres and schools<br>• The transferring department must train outreach team members on the implementation of the learning programme for learners with profound intellectual disabilities and other programmes that enhance accountability in the implementation of the learning programme for learners with profound intellectual disabilities<br>• The receiving departments, using outreach team members and other officials, must conduct on-site on-the-job coaching and mentoring of caregivers, teachers, in-service therapists, and officials on the learning programme for learners with profound intellectual disabilities, and other programmes that directly enhance accountability in the implementation of the learning programme and provision of outreach services to targeted special care centres and schools<br>• The receiving department must work with DBE and ensure that caregivers receive accredited training that results in recognised qualifications<br>• Administrative support will include purchasing or leasing appropriate vehicles in cases where cars have not been purchased (one car per team), purchasing tools of trade (in line with the DBE guidelines), fuel costs, and subsistence and accommodation costs when visiting special care centres and schools with the travel distance of more than 200 km or in instances where the teams will spend more than one day in an area providing outreach services<br>• Transport is provided for in the grant framework and hence costs incurred from the use of own cars must be avoided<br>• The receiving department should facilitate and advocate for the placement of learners from special care centres in schools at all levels of the education system as well as in the broader community<br>**Procurement**<br>• In order to expedite the delivery of assistive devices and learning and teaching support materials, provincial education departments must utilise transversal contracts where available, unless they can demonstrate gains from an exemption in their business plans<br>• To effectively use finances the use of implementing agencies to procure items must be avoided<br>• In order to address the buying of inappropriate equipment and learning and teaching support materials, provincial education departments must consult with DBE by sharing and discussing the specifications of the items to be bought<br>• The receiving departments must procure relevant and adequate learning and teaching support materials, classroom furniture and equipment, equipment for basic non-accredited skills programmes for learners with severe intellectual disabilities that cannot be placed in schools and assistive devices for learners in special care centres in consultation with the DBE<br>• Buying of assistive devices must be informed by an assessment by a therapist<br>• The receiving department must procure specialised tools of trade and storage equipment in special care centres and where storage is inadequate<br>• Procurement should include training of caregivers, teachers and end-users in the utilisation of all resources provided<br>• Transfer of the first tranche to provincial education departments will be done on submission of approved business, procurement and training plans<br>• This framework must be read in conjunction with the practice note as agreed to with National Treasury |
| **Allocation criteria** | • Allocations consider the number of special care centres, children with severe or profound intellectual disabilities in special care centres, schools that have enrolled learners with profound intellectual disabilities referred from special care centres per province as well as the urban and rural nature of each province |
| **Reasons not incorporated in equitable share** | • In order to address the needs of this marginalised population of children with severe or profound intellectual disabilities that are not in school and not accessing educational subsidies through the educational norms applied at schools, the funding is ring-fenced in the form of a conditional grant. This enables DBE to provide overall guidance to ensure congruence and coherence in programme implementation |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R260 million allocated to provinces, R260 million (100 per cent) was transferred to provinces and R239 million (91.9 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• Eight deputy chief education specialists appointed as provincial grant managers<br>• A total of 225 appointed transversal itinerant outreach team members recruited to guide and support curriculum delivery and provide therapeutic support in special care centres and targeted schools<br>• Data Management: 452 special care centres that support children with severe to profound intellectual disabilities managed using South African School Administration and Management System<br>• Training: 225 transversal itinerant outreach team members, 2 891 care givers, 387 teachers, 107 in-service therapists and 105 officials trained on the learning programme for learners with profound intellectual disabilities |

| Learners with Profound Intellectual Disabilities Grant | |
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| | • 551 caregivers received certification for a range of accredited training including training in ECD Levels 4 and 5 and 222 enrolled in various accredited training programmes that end in 2025/26 financial year<br>• Outreach services: outreach services provided to 10 391 children/learners with severe to profound intellectual disabilities. The following services were rendered:<br>o 2 210 learners assessed by psycho-education psychologists and determined their education strengths and needs, and assessment reports used to guide nature of support<br>o 4 217 learners with profound intellectual disabilities were taught using the learning programme for learners with profound intellectual disabilities<br>o 2 020 learners participated in basic skills programmes, 2 781 learners received therapy and 510 received assistive devices<br>o 417 special care centres were provided with a range of learning and teaching support materials to use to support teaching and the learners enrolled in these centres<br>o 42 shipping storage were bought for special care centres that do not have safe and adequate storage to store learning and teaching support materials<br>o 86 laptops, 36 power banks, 26 printers, 24 cartridges, 12 laminating machines, 2 monitors bought for transversal itinerant outreach team members as tools of trade<br>o 226 children, from special care centres, enrolled in schools |
| **Projected life** | • The grant framework will be reviewed on an ongoing basis to respond to the nature and trends in the education of learners with severe to profound intellectual disabilities |
| **MTEF allocations** | • 2025/26: R293 million; 2026/27: R306 million; and 2027/28: R320 million |
| **Payment schedule** | • Transfer payments shall be effected in April 2025; August 2025; November 2025 and January 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Evaluate, approve and submit provincial business plans to National Treasury<br>• Refine monitoring and evaluation guidelines tools that will be used to monitor and evaluate the implementation of the grant<br>• Refine standard operation procedures and tools, if and when necessary, that will be used to enhance performance management and accountability<br>• Work with provincial education departments in developing a guiding document to guide provincial education departments with the appointment of practitioners in 2026/27 on a 12-month contract to implement the learning programme in special care centres and the appointment of class assistants in 2025/26 on a 12-month contract to support teachers in schools that have enrolled learners from special care centres<br>• Train provincial grant managers and transversal itinerant outreach team members on programmes that will ensure effective implementation of the grant including the learning programme for learners with profound intellectual disabilities<br>• Monitor and support the implementation of the grant by provincial education departments<br>• Collaborate with other government departments and ensure the provision of integrated services to severe or profound intellectual disabilities |
| | **Responsibilities of provincial departments**<br>• Develop and submit approved business, procurement and training plans to the DBE<br>• Manage the implementation of business plans in line with the 2025 Division of Revenue Act and the Public Finance Management Act to ensure that expenditure is on track and there is no withholding of transfers by transferring officer<br>• Ensure systems, capacity and controls are in place to ensure the successful implementation of the grant<br>• Facilitate the appointment of outreach team members and grant managers in permanent posts as per the grant conditions<br>• Work with the DBE in developing a document to guide provincial education departments on the appointment of practitioners in 2025 on a 12-month volunteer contract to implement the learning programme in special care centres<br>• Work with the DBE in developing a document to guide provincial education departments on the appointment of class assistants in 2025 on 12-month contracts to support teachers in schools that have enrolled learners with profound intellectual disabilities from special care centres<br>• Ensure grant activities are implemented as approved in the business plans. Any deviation should first be communicated to the DBE in writing and approved by the transferring officer before implementation<br>• Monitor, support and quality assure the provision of outreach services to special care centres and schools on a monthly and quarterly basis or as and when required<br>• Use the DBE systems to manage special care centre data<br>• Ensure that children enrolled in special care centres are enrolled in schools<br>• Ensure compliance with reporting requirements by providing consolidated quality-assured and approved quarterly reports 30 days after the end of the quarter<br>• Facilitate collaboration with key government departments in the delivery of services to children with severe or profound intellectual disabilities. This will entail the establishment of inter-departmental structures that will ensure integrated service delivery of services to children with severe or profound intellectual disabilities<br>• Plan and implement advocacy programmes for the implementation of an inclusive education system |

| Learners with Profound Intellectual Disabilities Grant | |
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| **Process for approval of 2026/27 business plans** | • Meeting with provinces to review and discuss grant framework for the next financial year and receive input from provincial education departments by 29 August 2025<br>• DBE uses inputs from meeting with provincial education departments and drafts the grant framework by 30 September 2025<br>• Support grant manager to compile first daft business plans and provincial education departments submit first draft business plans to DBE for evaluation by 5 December 2025<br>• DBE evaluates draft provincial business plans and provide comments to provincial education departments to amend plans by 12 December 2025<br>• Provincial education departments submit amended plans by 9 January 2026<br>• Final comment sent to provincial education departments to amend by 16 January 2026<br>• Provincial education departments submit amended and signed-off plans to DBE by 20 February 2026<br>• DBE approves provincial business plans by 31 March 2026 |

| Maths, Science and Technology Grant | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To strengthen the implementation of the National Development Plan and the Action Plan of 2019 by increasing the number of learners taking mathematics, science and technology subjects, improving the success rates in the subjects and improving teachers' capabilities |
| **Grant purpose** | • To provide support and resources to schools, teachers and learners in line with the Curriculum Assessment Policy Statements for the improvement of mathematics, science and technology teaching and learning at selected public schools |
| **Outcome statements** | • Improved learner participation and success in mathematics, science and technology subjects in the country |
| **Outputs** | • School support<br>o 1 256 maths, science and technology schools<br>o 485 schools supplied with subject specific computer hardware and related software in accordance with the minimum specifications prescribed by the Curriculum Assessment Policy Statements including coding and robotics pilot schools<br>o 232 schools offering technical subjects (including pilot schools for the vocationally oriented curriculum) and schools offering agricultural subjects supplied with workshop tools, machinery, equipment and consumables for technology subjects repaired, maintained and/or replaced in accordance with the minimum specifications<br>o 1 256 laboratories supplied with apparatus and consumables for mathematics, science and technology subjects in accordance with the minimum specifications including coding and robotics kits<br>• Learner support<br>o 50 000 learners registered for participation in mathematics, science and technology olympiads/fairs/expos and other events based on a structured annual calendar including support through learner camps and additional learning, teaching and support material such as study guides<br>• Teacher support<br>o 1 500 participants attending specific structured training and orientation for teachers and subject advisors in subject content and teaching methodologies on curriculum assessment policy statements for electrical, civil and mechanical technology, technical mathematics, and technical sciences<br>o 1 000 teachers and subject advisors attending targeted and structured training in teaching methodologies and subject content either for mathematics, physical, life, natural and agricultural sciences, technology, computer applications technology, information technology, agricultural management and technology subjects<br>• Grant administration support<br>o all provincial grant managers are supported to manage, administer, monitor and evaluate the implementation of the grant in line with the business plan. The support includes payment for expenses such as travelling, accommodation, stationery, flight fares, subsistence and other incidental costs<br>o administration staff appointed on a three-year contract |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities<br>• Annual budget and resource allocation schedules<br>• Monitoring and reporting<br>• Risk management plan<br>• Cash flow projections<br>• Participating schools list (separate annexure) |
| **Conditions** | **Grant structure and allocations**<br>• The grant is utilised on an interventional basis and is not a general grant for all schools<br>• Schools needs and allocation of funds must be identified through criteria indicated in the framework in partnership with provinces and districts in the preceding financial period<br>• The grant will support a total of 1 256 schools across all provinces covering all mathematics, science and technology subjects from grades R-12<br>• The grant will support the national Department of Basic Education (DBE)-Cuba mathematics, science and technology subjects support programme in the Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, and Mpumalanga provinces<br>• The allocations should be divided in accordance with the following guideline for Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, and Mpumalanga:<br>o 34 per cent for information communication technologies including coding and robotics resources<br>o 15 per cent for the supply, repair/replacement and maintenance of workshop machinery, equipment and tools for technical (including pilot schools for vocationally oriented curriculum) and agricultural schools<br>o 15 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics<br>o 15 per cent for teacher support including teacher support for coding and robotics and vocationally oriented |

| Maths, Science and Technology Grant | |
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| | curriculum pilots<br>o 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools<br>o 1 per cent for grant administration, monitoring, support and evaluation<br>o 6 per cent for the DBE-Cuba mathematics, science and technology subjects support programme, including remuneration<br>• The allocations should be divided in accordance with the following guideline for Free State, Northern Cape, North West and Western Cape:<br>o 40 per cent for information communication technologies including coding and robotics resources<br>o 15 per cent for the supply, repair/replacement and maintenance of workshop machinery, equipment and tools for technical (including pilot schools for vocationally oriented curriculum) and agricultural schools<br>o 15 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics<br>o 15 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots<br>o 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools<br>o 1 per cent for grant administration, monitoring, support and evaluation<br>**Priorities**<br>• All the grant outputs are prioritised in accordance with the allocation percentages unless the province has requested a deviation and this is approved by the transferring officer<br>**Outputs**<br>• Information, Communication and Technology (ICT) resource items should be procured as per the minimum specifications defined by the DBE and in line with Curriculum Assessment Policy Statements. Subject specific ICT resources refer to hardware and software, which are compulsory and required by the curriculum. The grant also supports the training of all end-users in the utilisation of all ICT resources provided to a school<br>• Workshop equipment and machinery items should be supplied, repaired, maintained and/or replaced where appropriate in order to meet the minimum specifications defined by the DBE and in line with curriculum assessment policy statements<br>• Laboratories' workshop equipment, apparatus and consumables should be procured as per the minimum specifications as defined by the DBE and in line with Curriculum Assessment Policy Statements. This should be prioritised in line with the budget allocated to this item. These resources are provided to improve practical teaching and learning in all mathematics, science and technology subjects with special attention to mathematics and physical science<br>• Learner support is provided to all identified learners in line with provincial needs in support of curriculum delivery based on a structured annual calendar. This includes competition participation expenses, learner coaching, printing, delivery and mediation of study materials. This support includes study camps for identified learners as per the provincial programme including a focus on girl learners. Teaching mathematics for understanding support material learner activity book<br>• Teacher support is provided to all identified teachers in line with provincial needs in support of curriculum delivery. Teacher training or development should be based on a structured programme, which must be submitted to the transferring department as and when required. No ad-hoc training will be supported from the grant<br>**Procurement**<br>• Provinces must participate in DBE's three-year transversal contract to enable provincial education departments to secure three-year contracts but may request permission for exemption if they can demonstrate gains from such exemption. In the absence of a DBE transversal tender, provinces must continue to procure on their own<br>• The grant funds and implementation (procurement, delivery and payment) must be managed at provincial level unless a transversal tender has been issued or the school has demonstrated capacity, systems and controls to efficiently manage the processes of the grant<br>• Before funds can be transferred to schools, there should be assurance that systems, controls and capacity to manage the funds, implementation and delivery processes of the grant are in place<br>• Provinces will be required to submit approved deviations before submitting amended business plans on or before the last week of January every year |
| **Allocation criteria** | • Participating schools should be identified according to the following criteria:<br>o priority should be given to schools classified in quintiles 1-3<br>o provinces may include schools in quintiles 4 and 5, as per provincial needs. The approval of the transferring officer (provided the average learner performance in all subjects including mathematics, science and technology is at a level below 60 per cent at Grade 12)<br>o primary schools will be supported as feeder schools to secondary schools participating in the grant based on the provincial needs analysis in line with the outputs of the grant<br>o at least 10 – 30 learners are enrolled for each grade in mathematics and science subjects at a general education and training, and further education and training (FET) band, and 10 – 15 learners are enrolled for technology subjects in further education and training band<br>o maths, science and technology schools offering technical and agricultural subjects including pilot schools for vocationally oriented curriculum<br>o pilot schools for coding and robotics curriculum |
| **Reasons not incorporated in equitable share** | • The grant is a targeted systemic capacity improvement programme. The number of schools requiring support is not proportionally distributed across the provinces. The level of support required by schools differs across provinces |

| Maths, Science and Technology Grant | |
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| **Past performance** | **2023/24 Audited Financial Outcomes**<br>• Of the R383 million allocated to provinces, R383 million (100 per cent) was transferred to provinces. R382 million (99.9 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• ICT<br>o 4 412 schools (40: Eastern Cape, 3 650: Free State, 190: Gauteng, 18: KwaZulu-Natal, 158: Limpopo, 20: Mpumalanga, 136: Northern Cape, 90: North West and 110: Western Cape) were supplied with information, communication and technology resources such as laptops, tablets and software for Mathematics, Science and Technology Curriculum to support curriculum and teaching methodology at MST schools<br>• Workshop equipment, machinery and tools<br>o 221 schools (32 Eastern Cape; 23: Free State, 40: Gauteng, 10: KwaZulu-Natal, 24: Limpopo, 42: Mpumalanga, 10: Northern Cape, 8: North West and 32: Western Cape) were supplied with equipment, tools and machinery for technology to support curriculum and practical teaching methodology at MST schools<br>• Laboratories and workshop equipment, apparatus and consumables<br>o 811 schools (130: Eastern Cape, 50: Free State, 156: Gauteng, 30: KwaZulu-Natal, 83: Limpopo, 128: Mpumalanga, 39: Northern Cape, 100: North West and 110: Western Cape) were supplied with consumables and subject related apparatus to support curriculum and practice teaching methodology at MST schools<br>• Learner support<br>o 290 995 learners (10 630: Eastern Cape, 200: Free State, 2 535: Gauteng, 7 512: KwaZulu-Natal, 112 425: Limpopo, 31 501: Mpumalanga, 19 075: Northern Cape, 16 125: North West and 24 842: Western Cape) were funded to participate in Mathematics, Science and Technology Olympiads including coaching and revision camps to improve learner preparedness for the NSC examinations<br>• Teacher support<br>o 54 150 Teachers: (914: Eastern Cape, 300: Free State, 614: Gauteng, 1 815: KwaZulu-Natal, 4 850: Limpopo, 39 608: Mpumalanga, 2 238: Northern Cape, 1 549: North West and 2 692: Western Cape) were trained during 2023/2024 financial period |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R459 million; 2026/27: R480 million; and 2027/28: R502 million |
| **Payment schedule** | • 6 May 2025; 12 August 2025; 11 November 2025; and 3 February 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Identify and analyse areas requiring support in mathematics, science and technology<br>• Evaluate, approve and submit provincial business plans to National Treasury<br>• Provide the administrative services for the grant (manage, coordinate, monitor and support programme implementation at all levels)<br>• Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum specifications for school resources<br>• The transferring officer must develop centralised procurement processes that provinces can participate in<br>• Ensure compliance with reporting requirements in line with the provisions of the 2025 Division of Revenue Act (DoRA)<br>• Monitor implementation at provincial, district and school level on a quarterly basis or as and when required, in line with the grant framework<br>• Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury as per the requirements of the 2025 DoRA |
| | **Responsibilities of provincial departments**<br>• Identify and analyse areas requiring support in mathematics, science and technology<br>• Develop and submit approved business plans to DBE<br>• Submit lists of schools to DBE as per the timeframes set in the grant framework<br>• Develop and submit an approved procurement plan in line with the business plan targets by the end of the financial year<br>• Ensure compliance with reporting requirements by providing consolidated monthly expenditure reports 15 days after the end of the month, and quarterly reports 30 days after the end of the quarter including other monitoring or diagnostic reports and reviews as required from time to time<br>• Manage and implement the programme in line with the 2025 DoRA and the Public Finance Management Act<br>• Where applicable, participate in transversal tenders issued by the DBE or other provinces in order to procure goods and services related to the outputs of the grant<br>• Monitor and provide support to districts/regions, circuits and schools on a monthly and quarterly basis or as and when required<br>• Provide human resource capacity at all relevant levels including the appointment or identification of a qualified and experienced person/s to administer, manage and co-ordinate the activities of the grant in accordance with the provisions of the framework and compliance certificates<br>• Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year |

| Maths, Science and Technology Grant | |
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| | • Implement projects according to the approved business plan. Any deviation should be communicated in writing and approved by the transferring officer before implementation<br>• Submit school's business plans to DBE by the end of June every year if funds are being transferred to schools |
| | **Responsibilities of schools**<br>• Submit school's needs on mathematics, science and technology to the districts as required by the province<br>• Submit school's business plans to provinces before funds can be transferred to schools<br>• Submit quarterly mathematics, science and technology activity reports on equipment, machinery, consumables, maintenance, learner and teaching support material and training support<br>• Submit learner performance data for all grades in mathematics, science and technology subjects to the district and grant manager<br>• Ensure that capacity, systems and controls are in place to implement the grant, to receive funds where a transfer to a school has been agreed upon<br>• Receive funds from provincial departments of education and manage the procurement, delivery and payment processes where necessary<br>• Participate in relevant structures that have been put in place to support implementation of the grant such as annual principals' meetings<br>• Monitor and ensure the quality of work of the service providers and sign-off on the completeness of the service delivery processes |
| **Process for approval of 2026/27 business plans** | • The first draft of the consolidated provincial business plans and revised school lists to be submitted to DBE for appraisal by 28 October 2025<br>• The DBE team will meet to evaluate the consolidated business plans by 11 November 2025<br>• The comments on the business plans will be sent to provinces for amendments by 12 December 2025<br>• Provinces will be required to submit the provincially approved amended business plans to DBE by 24 February 2025, DBE will approve the final business plans by 31 March 2026 |

| National School Nutrition Programme Grant | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To enhance learning capacity and improve access to education |
| **Grant purpose** | • To provide nutritious meals to targeted schools |
| **Outcome statements** | • Enhanced learning capacity and improved access to education |
| **Outputs** | • 21 000 schools that prepare nutritious meals for learners |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities<br>• Risk management plan |
| **Conditions** | • Spending must be in line with national and provincial business plans<br>• The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools:<br>o school feeding: minimum of 97 per cent<br>o kitchen facilities, equipment and utensils: minimum of 0.3 per cent and not exceeding R10 million<br>o administration: maximum of 2.5 per cent<br>o nutrition education (including deworming and hygiene practices): maximum of 0.2 per cent<br>• Minimum feeding requirements:<br>o provide nutritious meals to learners in quintile 1 - 3 primary and secondary schools, as well as identified special schools on all school days<br>o provide nutritious meals to targeted learners in identified quintile 4 and 5 schools in line with available resources<br>o meal costs per learner will increase at a minimum of 5 per cent in all benefiting primary schools and 3 per cent for all secondary schools. Far-flung/low enrolment farm and rural schools that are receiving funds directly should be allocated a higher meal cost to cover higher transport costs<br>o pay honorarium of a minimum of R16,45 (R2 190) per person per hour for 8 hours daily plus UIF at 1 per cent per month. Food handlers must be allocated in line with approved sliding scales submitted with provincial business plans<br>o comply with approved food specifications and menu guidelines consisting of meals containing: starch, protein and fresh vegetable/fruit<br>o breakfast porridge should be served incrementally in selected schools as per provincial business plans<br>o fresh vegetables/fruits must be served daily and vary between green, yellow and red<br>o a variety of protein-rich foods must be served in line with approved menu options<br>o processed chicken livers should be served incrementally in selected schools once a week as per provincial business plans<br>o grade 1 and 2 raw sugar beans must be packed separately from samp, not mixed in one packet<br>o soya mince should not be served more than once a week and must meet approved specifications. Soya may not be used as seasoning/thickening for other dishes<br>o canned pilchards/mackerel/sardines must be served at least once a week. High quality protein products can replace pilchards in areas where these are not socially acceptable<br>o ultra-high temperature treated full cream milk or pasteurised maas must be served once a week. Milk must be approved in line with dairy standards set by Milk South Africa<br>o seasoning should be provided for all meals except on days when milk is served<br>• Provinces must support and promote sustainable food production and nutrition education in schools<br>• Provinces must promote local economic empowerment, including procurement of fresh produce from smallholder farmers. The farmers should be registered with the Department of Agriculture and adhere to good agricultural practices<br>• Provincial business plans will be approved in line with the above minimum requirements and available resources. The following variations may be approved by the transferring officer based on achievements and/or critical challenges in each province:<br>o feeding cost below the minimum requirements, provided the quality of meals is not compromised<br>o reduction in the number of learners due to learner verification<br>o number of learners that exceed the gazetted quintiles<br>o breakfast porridge and chicken livers served as per available funding<br>o serving of processed vegetables or fruit in remote areas<br>o quintile 1-3 schools that do not feed all learners due to food wastage in all provinces need to approve letters from schools requesting a deviation from whole school feeding<br>o deviation requests from approved business plan activities must be submitted to the transferring officer not later than 28 November 2025 |

| National School Nutrition Programme Grant | |
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| | • The flow of the first instalment of the grant depends upon receipt by the national Department of Basic Education (DBE) of procurement process plans as well as quarterly performance (narrative and indicators) and financial reports<br>• The flow of the December 2025 and the January 2026 instalments of the grant depends upon receipt by the DBE of quarterly performance (narrative and indicators) and financial reports<br>• Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of budget transfers<br>• Provinces reserve the right to withhold funds from schools in case of financial mismanagement, non-compliance to guidelines and excessive surplus funds. If schools are closed due to a declared state of disaster, funds from the grant that would have been spent on providing meals in schools may instead be used to provide meals to learners through alternative means |
| **Allocation criteria** | • The distribution formula is poverty-based in accordance with the poverty distribution table used in the national norms and standards for school funding as gazetted by the Minister of Basic Education on 17 October 2008<br>• Unallocated amounts will be distributed to provinces on the basis of identified programme priorities, of which feeding shall take precedence above all other priorities |
| **Reasons not incorporated in equitable share** | • The National School Nutrition Programme (NSNP) is a government programme for poverty alleviation, specifically initiated to uphold the rights of children to basic food and education<br>• The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the total allocation of R9.3 billion, R9.3 billion (100 per cent) was transferred to provinces, with provinces spending R9.4 billion (101 per cent) by end of the financial year |
| | **2023/24 service delivery performance**<br>• 20 343 schools were provided with nutritious meals<br>• Food Safety workshops were conducted across all provinces to raise awareness on proper food handling practices<br>• Breakfast and processed chicken livers were served in all provinces in identified schools |
| **Projected life** | • It is envisaged that, given the high poverty and unemployment rates in the country, the need for such a grant will persist for at least another 10 years. The programme ensures that learners from the poorest communities have decent opportunities to learn |
| **MTEF allocations** | • 2025/26: R10.3 billion; 2026/27: R10.8 billion; and 2027/28: R11.3 billion |
| **Payment schedule** | • The payment schedule will be in line with respective provincial procurement models as follows:<br>o provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments as follows: 4 April 2025; 27 June 2025; 15 August 2025; 22 September 2025; and 5 December 2025<br>o provinces that procure from service providers on behalf of schools receive five instalments as follows: 4 April 2025; 18 July 2025; 15 August 2025; 10 October 2025; 22 January 2026<br>o the 15 August 2025 budget transfer is for kitchen facilities, equipment and utensils as per equipment specifications provided by the DBE<br>o payment schedules may be revised in line with implementation and spending trends |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Evaluate, approve and submit provincial business plans to the National Treasury<br>• Manage, monitor and support programme implementation in provinces and districts<br>• Ensure compliance with reporting requirements and NSNP guidelines<br>• Transfer funds to provinces in line with the approved payment schedule<br>• Consolidate and submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter<br>• Evaluate performance of the conditional grant and submit an evaluation report to the National Treasury four months after the end of the financial year |
| | **Responsibilities of provincial departments**<br>• Develop and submit approved business plans to DBE. The business plans should include procurement process plans for equipment and utensils<br>• Monitor and provide support to districts/regions/area project officers and schools<br>• Manage and implement the programme in line with the 2025 Division of Revenue Act and the Public Finance Management Act<br>• Provinces must update databases on kitchen facilities (specifying those with certificates of acceptability), equipment and utensils<br>• Ensure that districts are resourced in line with provincial business plans to conduct effective monitoring and support to schools in line with Goal 27 of the Action Plan of 2019, towards the realisation of schooling 2030<br>• Consult districts on the development and implementation of their provincial business plans<br>• Provide oversight for districts to develop and implement monitoring and evaluation plans<br>• Provide human resource capacity at all relevant levels<br>• Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year |

| National School Nutrition Programme Grant | |
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| | • Submit quarterly financial and performance reports including consolidated monitoring, reporting and response system reports to DBE after the end of each quarter. The fourth quarter report should include kitchen facilities, equipment and utensils procured<br>• Provinces that are transferring funds to schools are required to reconcile expenditure by schools against budget transfers on a quarterly basis<br>**Responsibilities of districts**<br>• Monitor and support schools<br>• Implement monitoring and evaluation plans<br>• Submit monthly and quarterly reports (narrative and expenditure reports to the provincial department, as well as reports on expenditure by schools, where applicable). This should include consolidated monitoring, reporting and response system reports, where applicable<br>• Coordinate all NSNP activities in the district<br>**Responsibilities of schools**<br>• Implement the programme in line with the conditions of the NSNP framework<br>• Submit reports to districts as per the provincial reporting requirements, i.e. performance and expenditure reports in provinces that are transferring funds to schools<br>• Safeguarding of programme resources, i.e. cooking facilities, equipment and utensils |
| **Process for approval of 2026/27 business plans** | • First inter-provincial meeting during the first quarter<br>• Consultation with district officials, provincial treasuries, provincial finance sections and the National Treasury on business plans in June 2025<br>• Provinces submit first draft business plans to the DBE by 31 July 2025<br>• DBE evaluates first draft business plans and sends comments to provinces by 29 August 2025<br>• Provinces submit final approved business plans and requisite attachments to DBE by 12 December 2025<br>• The transferring national officer to approve national and provincial business plans by 31 March 2026 |

| School Infrastructure Backlogs Grant | |
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| **Transferring department** | • Basic Education (Vote 16) |
| **Grant schedule** | • Schedule 6, Part A |
| **Strategic goal** | • The eradication of inappropriate education structures and backlogs in basic services |
| **Grant purpose** | • Eradication and upgrading of inappropriate school buildings<br>• Provision and upgrading of water and sanitation to schools<br>• Provision and upgrading of classrooms to address overcrowding |
| **Outcome statements** | • Improved access to enabling learning and teaching environments<br>• Build the capacity of provinces benefiting from an indirect grant allocation to carry out this function in the future |
| **Outputs** | • Number of inappropriate schools replaced and provided with related school furniture<br>• Number of schools provided with water or upgraded to meet norms and standards<br>• Number of schools provided with sanitation or upgraded to meet norms and standards<br>• Number of classrooms provided or upgraded to address overcrowding<br>• Final accounts for the accelerated school infrastructure delivery initiative and sanitation appropriate for education projects<br>• Section 42 transfer of assets developed under the accelerated school infrastructure delivery initiative and sanitation appropriate for education<br>• Update of infrastructure information on the national education infrastructure system/education facilities management system |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • This grant uses an infrastructure programme management plan that includes the following:<br>o institutional framework<br>o procurement and contract management plan<br>o scope management<br>o time management plan<br>o cost management plan<br>o risk management plan<br>o quality management plan<br>o monitoring and reporting details<br>o budgeting and programme accounting details<br>o performance management plan<br>o communication management plan |
| **Conditions** | • This is an in-kind grant administered by the national Department of Basic Education (DBE) that may be transferred to a province through the Education Infrastructure Grant (EIG) if the province is able to demonstrate through a proven track record, that it has the capacity to implement the projects<br>• DBE must submit to National Treasury an infrastructure programme management plan by 12 February 2025<br>• Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme:<br>o national steering committee<br>o technical committee<br>o project steering committee<br>o infrastructure bid specification and evaluation committee<br>o infrastructure bid adjudication committee<br>• The provincial planning and monitoring teams or equivalent in each province should meet monthly to ensure information flows between the stakeholders, unblock processes, monitor progress, and enhance cooperation<br>• DBE must load all infrastructure funded projects in the infrastructure reporting model before the start of the financial year (1 April 2025)<br>• DBE must submit monthly project reports with cash flows to National Treasury 15 days after the end of each month, that show how actual payments and cash flows reconcile with the projected cash flow schedule and explain any deviations from the original projected cash flow<br>• DBE must update the infrastructure project details for each funded project in the infrastructure reporting model. This must be approved and submitted to National Treasury within 22 days after the end of each quarter<br>• Assets will be transferred to custodians in the respective provinces at final completion. The provincial education departments must report in their annual report how the schools have been considered in their future maintenance plans<br>• The DBE must agree in writing with the provinces on projects that they will administer on behalf of each province<br>• DBE and/or implementing agents must ensure skills transfer takes place as part of the implementation of projects<br>• The DBE approved 10 point plan must be implemented to ensure improvements in infrastructure delivery |
| **Allocation criteria** | • The grant allocation is based on the distribution of inappropriate structures and schools without access to water and sanitation across provinces<br>• Final allocations will be based on the finalised infrastructure programme management plan of the DBE as approved by the transferring officer |

| School Infrastructure Backlogs Grant | |
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| **Reasons not incorporated in equitable share** | • This is a specific purpose grant to provide and upgrade basic facilities such as water and sanitation, replace schools constructed from inappropriate material, including mud schools, provision and upgrading of classrooms to address overcrowding to contribute towards improved learning and teaching. The grant will be administered by the DBE to achieve maximum impact in the shortest time possible |
| **Past performance** | **2023/24 audited financial performance**<br>• Allocated R2.4 billion of which R2.2 billion (93 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 1 new school built, 4 schools provided with water, 346 schools provided with sanitation and nil schools provided with electricity (electricity sub-programme has been completed) |
| **Projected life** | • The grant will be phased into the Education Infrastructure Grant from 2026/27. In order for the transition to take place, submission to National Treasury by DBE of the Infrastructure Programme Management Plan by 1 September 2025<br>• The skills transfer and capacity building plans must be submitted to National Treasury before the start of the 2026/27 financial year |
| **MTEF allocations** | • 2025/26: R1.6 billion and 2026/27: R450 million |
| **Payment schedule** | • Payments will be made according to verified invoices from service providers or advance payments in line with approved memoranda of agreement, implementation plans and reviewed monthly cash flow projections from implementing agents |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Undertake planning of processes, activities, and accelerated school infrastructure delivery initiative programme policies required to realise the outputs and identify required resources<br>• Undertake the necessary procurement measures to secure the services of implementing agents, professional service providers, contractors and secondary procurement objectives to respond to the scope of work identified in the infrastructure programme management plan<br>• Monitor and evaluate performance of the programme support unit, implementing agents, conduct project site inspections at selected sites to verify progress and quality of the works to secure programme outputs and deliverables<br>• DBE must report infrastructure projects implemented with voted funds in the national infrastructure reporting model within 22 days after the end of the quarter<br>• Harness the opportunities offered through the programme to contribute towards skills development<br>• DBE must submit an annual assessment of progress against its skills transfer and capacity building plan to National Treasury two months after the end of the national financial year<br>• DBE will convene and chair meetings of the national steering committee which will:<br>o provide strategic direction to the accelerated school infrastructure delivery initiative programme<br>o provide general oversight on the programme<br>o ensure that the management of the programme brings together those players responsible for different elements of project success and ensure a holistic approach in support of the programme<br>o ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to<br>o facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee<br>o establish the modalities linking the targeted provincial education departments with DBE<br>o supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved<br>o facilitate the linkages between national stakeholders such as the National Treasury (infrastructure delivery improvement plan), Construction Industry Development Board, and the national departments of Human Settlements, Water and Sanitation, Electricity and Energy, and Public Works and Infrastructure<br>o ensure accelerated school infrastructure delivery initiative strategies and targets are in line with national goals and targets<br>o monitor progress in terms of national goals and targets<br>o assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee<br>o report to the Minister of Basic Education, the Council for Education Ministers, the heads of education departments committee, and senior management<br>• DBE must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery<br>• The grant may be transferred to provinces to address overcrowding in schools<br>• Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit<br>• DBE will develop a procurement strategy for this grant that will lead to the quickest possible achievement of the grant objectives which may require the clustering of projects across provincial boundaries<br>• Submit an approved infrastructure programme management plan including projects list to the National Treasury<br>• Ensure compliance with reporting requirements and adherence to projected cash flow schedules<br>• Consolidate and submit quarterly reports to National Treasury and the National Council of Provinces within 45 days after the end of each quarter<br>• Conduct site visits to selected projects to assess performance |

| School Infrastructure Backlogs Grant | |
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| | • Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant<br>• DBE must ensure that the heads of education departments committee meets at least once a month and is provided with sufficiently detailed reports to assess project implementation and projected cash flow schedules reconciled at the end of the month preceding the monthly meetings<br>• Provide an operations and maintenance manual to the provincial education departments<br>• The DBE must submit a draft skills transfer and capacity building plan for Schedule 6A allocations to National Treasury by 1 July 2025; a final plan must be submitted to National Treasury by 1 September 2025. The skills transfer and capacity building plan must set out how the capacity of benefiting provinces will be developed so that they can continue to perform the function after the schedule 6A funded project ends. The plan must set measurable targets that will be achieved over the 2026 medium term expenditure framework. The plan must set out how existing and new capacity building initiatives will be used to achieve these targets<br>• The DBE must submit an annual assessment of progress against its skills transfer and capacity building plan to National Treasury two months after the end of the national financial year |
| | **Responsibilities of provincial departments**<br>• Provide the list of schools to be included in the accelerated school infrastructure delivery initiative programme and sanitation appropriate for education<br>• Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity<br>• Ensure that, where schools are identified for rationalisation and mergers, DBE is made aware on time, in writing, and that all necessary supporting documents are provided<br>• Establish provincial planning and monitoring teams that will provide support to the DBE when implementing projects funded by this grant<br>• Monitor projects implemented at their respective provinces<br>• Convene the provincial planning and monitoring teams and report to the national steering committee<br>• Generate a maintenance plan from the operations and maintenance manual provided |
| **Process for approval of 2026/27 business plans** | • Submission to National Treasury by DBE of the infrastructure programme management plan for 2025/26 projects by 13 February 2026 |

# COOPERATIVE GOVERNANCE GRANT

| Provincial Disaster Response Grant | |
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| **Transferring department** | • Cooperative Governance (Vote 3) |
| **Grant schedule** | • Schedule 7, Part A |
| **Strategic goal** | • To enable timely response to address community needs regarding impending or disastrous events classified by the National Disaster Management Centre |
| **Grant purpose** | • To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act |
| **Outcome statements** | • Immediate consequences of disasters are mitigated or alleviated |
| **Outputs** | • Emergency repair of critical infrastructure<br>• Emergency provision of critical goods and services |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following:<br>o copy of the applicable contingency plan and emergency procedures in use by the provincial department (in terms of section 35(1)(d) of the Disaster Management Act)<br>o prevention and mitigation strategies as per the disaster management plan<br>o documentation linked to Sections 56 and 57 of the same Act<br>o details of insurance and insured infrastructure, where applicable including factors outlined in Sections 56 and 57 of the same Act as well proof from the insurance company on the matter<br>o number of people, households, livestock and infrastructure affected and the extent of damages and losses<br>o sectors affected<br>o total funds required for disaster response and relief measures<br>o resources (both financial and in-kind) allocated by the province to respond and mitigate the effects of the disaster<br>o resources (both financially and in-kind) committed by other role players, including municipalities, national departments, state owned entities and non-government organisations<br>o the affected provincial sector department must indicate funds spent or contributed towards dealing with the disaster<br>o support received from non-government organisations and businesses or any other stakeholder<br>o cost-benefit analysis of the projects to be implemented<br>• An implementation plan with the following:<br>o details of the projects to be repaired including Global Positioning System (GPS) coordinates<br>o estimated total costs of the projects, including personnel costs<br>o asset register of all the projects to be repaired reflecting the condition of the asset<br>o consolidated projects cash flow over six-month period as an annexure to the implementation plan<br>o technical report (high level that explains technical solution, viability and practicality)<br>o maintenance plan and resourcing of the infrastructure to be repaired<br>• An application for funding contribution may be based on the rapid assessment (preliminary versions of the supporting documentation required above may be accepted for the funding application)<br>• Specifics on the rapid response capacity to implement the projects and account for allocated funding |
| **Conditions** | • An occurrence should be classified as a disaster by the NDMC in terms of the Disaster Management Act and documentation linked to conditions within sections 56 and 57 of the above-mentioned Act submitted to the NDMC<br>• This grant may only be used to fund expenditure in the event that the responsible line function/organ of state is unable to deal with the effects of the disaster utilising their own legislation, guidelines and available resources<br>• The grant may not be utilised for insured infrastructure. In case of inadequate insurance, reasons for inadequate insurance to be provided as well as proof from the insurer on the amount paid/ to be paid<br>• The emergency procurement system as provided for in the Public Finance Management Act should be invoked by the provincial department to ensure immediate response and relief measures to support affected communities<br>• Funds may only be used in line with the approved implementation plan by NDMC. Any amendments to the implementation plan must be submitted to the NDMC for approval at least three months prior to end of the six-month implementation period. Copies of the approved amendments to be shared with National Treasury<br>• The provincial department must provide details of their capacity in implementing emergency projects and accounting for allocated funding |
| **Allocation criteria** | • The grant is allocated for classified disasters based on reports from assessments conducted by the NDMC and the relevant Provincial Disaster Management Center (PDMC) and affected sectors for immediate disaster response and relief needs. This should include implementation of Sections 56 and 57 of the Disaster Management Act. Additionally, it must be established that there are immediate disaster response and relief needs that cannot be met by the province through the contingency arrangements already in place<br>• The Accounting Officer for the relevant organ of state must provide proof together with the funding request indicating that the total funds required from the grant for disaster response exceed the available resources and/or resources already allocated for disaster response<br>• Funding may be released in tranches, with the first tranche based on the rapid assessment, verification of the immediate disaster response and relief needs and the submitted cash flow projection. The next tranches will be released once proof is submitted that the first tranche has been fully spent or committed and all grant conditions have been met |

| Provincial Disaster Response Grant | |
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| **Reasons not incorporated in equitable share** | • This grant caters for response and relief measures from unforeseen and unavoidable disasters where the provincial departments are unable to cope with the effects of the disaster only utilising own resources |
| **Past performance** | **2023/24 audited financial outcome**<br>• The Provincial Disaster Response Grant allocation, R145 million, for 2023/24 was converted to the Municipal Disaster Response Grant |
| | **2023/24 service delivery performance**<br>• Not applicable |
| **Projected life** | • This grant is expected to continue over the medium-term subject to review |
| **MTEF allocations** | • 2025/26: R151 million; 2026/27: R158 million; and 2027/28: R165 million |
| **Payment schedule** | • Transfers are made subject to approval by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the National Disaster Management Centre**<br>• Verify the applications for funding as per the requirements of the Disaster Management Act and submit funding request to National Treasury for consideration within 14 days following the receipt of the assessment report and written funding request from the sector departments through the PDMCs and when all grant conditions have been met<br>• Confirm support to be provided by relevant national sector departments to prevent duplication of support and resources<br>• Notify the relevant PDMC and provincial treasury of a transfer at least three days before transfer. Funds must be transferred no later than five days after notification<br>• Provide National Treasury with written notification of the transfer within 14 days of a transfer of the grant<br>• Submit financial report to National Treasury within 20 days of the end of each month<br>• Provide a performance report, within 45 days of the end of the quarter in which the funds were spent, to the National Treasury using the disaster allocation monitoring template agreed to with the National Treasury<br>• Together with the PDMC, monitor the implementation of disaster funded projects<br>• Participate in the review of disaster response implementation, led by the Development Bank of Southern Africa |
| | **Responsibilities of Provincial Disaster Management Centres**<br>• Together with the affected provincial departments, conduct rapid assessments of disaster impacts to verify the applications for initial funding within 14 days following the occurrence of a reported incident that meets the conditions<br>• Conduct assessments of disaster impacts together with the NDMC and the affected provincial departments, to verify applications for funding, within 35 days of the incident while adhering to the requirements of the Disaster Management Act<br>• Confirm support to be provided by relevant provincial sector departments to prevent duplication of support and resources<br>• Submit requests for disaster funding, monitor projects and provide reports to the NDMC, and provincial treasury<br>• Provide financial reports to NDMC within 10 days of the end of each month<br>• Provide a performance report which includes evidence on progress implementation of the projects to the NDMC within 35 days of the end of the quarter in which funds are spent using the relevant disaster grant allocation-reporting template<br>• The PDMC should activate a project task team comprising of the affected national and provincial sector departments<br>• Monitor the implementation of funded disaster project by sectors<br>• Establish provincial project steering committees to coordinate the monitoring and reporting of implementation of projects |
| | **Responsibilities of provincial sector departments**<br>• Conduct damage assessment and costing of emergency repair work<br>• Together with required supporting documentation, submit disaster assessment reports and funding requests signed-off by the Accounting Officer to the PDMC within 14 days following the classification of a disaster<br>• Consult with the relevant national sector departments and provincial treasury for support on existing resources to address the disasters<br>• Consult with the relevant national sector department on a funding request before submission to the PDMC, request to be accompanied by proof of engagement and response from relevant national department<br>• Notify provincial treasury of all requests for funding submitted<br>• Invoke emergency procurement processes to implement the immediate disaster response and relief projects<br>• Activate a provincial departmental task team to monitor, report and evaluate the impact of projects<br>• Monitor implementation of projects and report on their impact<br>• Provide a financial report to the PDMC and relevant national sector department within 10 days of the end of each month, signed off by the Accounting Officer. Include evidence (invoices, payment certificates and pictures of the projects) as annexures<br>• Provide a performance report which includes evidence, and progress on implementation of the projects, to the PDMC and relevant national sector department within 20 days of the end of the quarter in which funds are spent, signed off by the Accounting Officer<br>• Sector departments to submit the relevant contingency plans |
| | **Responsibilities of national sector departments**<br>• Provide support and guidance in resource mobilisation to provincial sectors before a funding request is lodged to the NDMC through the PDMC<br>• Provide support and guidance to provincial sector departments and NDMC regarding line function related matters on assessments and costing verifications<br>• Sector departments to submit the relevant contingency plans |

| Provincial Disaster Response Grant | |
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| | • Provide support and guidance to provincial sector departments and the NDMC in the preparation of funding requests<br>• Provide support and guidance to provincial sector departments in the preparation of reports, performance and realisation of the impacts of the projects as well as ensure compliance to the grant framework and relevant guidelines<br>• Monitor through site visits, report and evaluate implementation of projects by provincial sectors<br>• Activate an internal departmental task team to monitor, report and evaluate the impact of projects |
| **Process for approval of 2026/27 business plans** | • Not applicable |

# HEALTH GRANTS

| District Health Programmes Grant | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • The implementation of the national strategic plan on the HIV, sexually transmitted infections (STIs) and tuberculosis (TB) and implementation of the national strategic plan on malaria elimination<br>• To improve access to community based primary health care services through ward based primary health care outreach teams<br>• There are two components to this grant that allow for the achievement of the stated strategic goal:<br>o comprehensive HIV/AIDS component (with a separate framework)<br>o district health component (with a separate framework) |
| **Grant purpose** | • To enable the health sector to develop and implement an effective response to HIV/AIDS<br>• To enable the health sector to develop and implement an effective response to TB<br>• To ensure provision of quality community outreach services through ward based primary health care outreach teams<br>• To improve efficiencies of the ward based primary health care outreach teams programme by harmonising and standardising services and strengthening performance monitoring<br>• To enable the health sector to develop and implement an effective response to support the effective implementation of the national strategic plan on malaria elimination<br>• To enable the health sector to prevent cervical cancer by making available Human Papillomavirus (HPV) vaccinations to all eligible girls aged 9-14 years with a single dose of HPV vaccine in all settings |
| **Outcome statements** | • As specified in the two component frameworks |
| **Outputs** | • As specified in the two component frameworks |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • As specified in the two component frameworks |
| **Conditions** | • As specified in the two component frameworks |
| **Allocation criteria** | • As specified in the two component frameworks |
| **Reasons not incorporated in equitable share** | • As specified in the two component frameworks |
| **Past performance** | **2022/23 audited financial performance**<br>• As specified in the two component frameworks |
| | **2022/23 service delivery performance**<br>• As specified in the two component frameworks |
| **Projected life** | • As specified in the two component frameworks |
| **MTEF allocations** | • 2025/26: R28.3 billion; 2026/27: R29.6 billion; and 2027/28: R31 billion, of which the two components are allocated:<br>o comprehensive HIV/AIDS component: 2025/26: R24.9 billion; 2026/27: R26.1 billion; and 2027/28: R27.3 billion<br>o district health component: 2025/26: R3.4 billion; 2026/27: R3.6 billion; and 2027/28: R3.7 billion |
| **Payment schedule** | • Monthly instalments based on the approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• As specified in the two component frameworks |
| | **Responsibilities of provincial departments**<br>• As specified in the two component frameworks |
| **Process for approval of 2026/27 business plans** | • As specified in the two component frameworks |

| District Health Programmes Grant: Comprehensive HIV/AIDS Component | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • The implementation of the national strategic plan on HIV, sexually transmitted infections (STI) and tuberculosis (TB) |
| **Grant purpose** | • To enable the health sector to develop and implement an effective response to HIV/AIDS<br>• Prevention and protection of health workers from exposure to hazards in the workplace<br>• To enable the health sector to develop and implement an effective response to TB |
| **Outcome statements** | • Improved coordination and collaboration in the implementation of HIV/AIDS programme between national and provincial government<br>• Improved quality of HIV/AIDS response through provision of access to prevention, treatment, care and support services<br>• Improved coordination and collaboration in the TB response between national and provincial governments<br>• Improved quality of TB (including drug resistant-TB) services including access to prevention, screening, testing, treatment and adherence monitoring and support |
| **Outputs** | • Number of new patients started on antiretroviral therapy<br>• Total number of patients on antiretroviral therapy remaining in care<br>• Number of male condoms distributed<br>• Number of female condoms distributed<br>• Number of infants tested through the polymerase chain reaction test at 10 weeks<br>• Number of clients tested for HIV (including antenatal)<br>• Number of medical male circumcisions performed<br>• Number of clients started on pre-exposure prophylaxis<br>• Number of HIV positive clients initiated on TB preventative therapy<br>• Number of TB contacts initiated on TB preventive treatment (under five years and five years and older combined)<br>• Number of patients tested for TB using TB nucleic acid amplification test<br>• Number of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay<br>• Drug sensitive TB treatment start rate (under five years and five years and older combined)<br>• Rifampicin resistant confirmed treatment start rate |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | • The following priority areas must be supported through the grant:<br>o antiretroviral therapy related interventions<br>o care and support<br>o condom distribution and high transmission area interventions<br>o prevention of mother to child transmission<br>o post-exposure prophylaxis and pre-exposure prophylaxis<br>o programme management strengthening<br>o advocacy, communication and social mobilisation<br>o regional training centres<br>o HIV counselling and testing<br>o medical male circumcision<br>o TB prevention<br>o screening and testing people for TB<br>o linkage to TB treatment<br>o retention on TB treatment |
| **Allocation criteria** | • Allocations are based on antenatal HIV prevalence, estimated share of AIDS cases and population numbers post-demarcation<br>• Allocation is based on TB workload cases and population numbers post-demarcation |
| **Reasons not incorporated in equitable share** | • HIV, AIDS and TB are key national priorities and require a coordinated response for the country as a whole and this is effectively achieved through a conditional grant<br>• TB, multi-drug resistant, and extremely drug resistant strains, are key national priorities and require a countrywide coordinated response which is best achieved through a conditional grant |
| **Past performance** | **2023/24 audited financial performance**<br>• HIV/AIDS component: allocated and transferred R22.9 billion to provinces of which R22.7 billion (99 per cent) was spent by provinces by the end of the national financial year<br>• TB component: allocated and transferred R524 million to provinces, of which R475 million (91 per cent) was spent by provinces |
| | **2023/24 service delivery performance**<br>• HIV/AIDS component:<br>o 385 019 new patients that started on antiretroviral therapy<br>o 5.6 million patients on antiretroviral therapy remaining in care |

| District Health Programmes Grant: Comprehensive HIV/AIDS Component | |
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| | ○ 601 million male condoms distributed<br>○ 21 million female condoms distributed<br>○ 153 722 infant polymerase chain reaction tests around 10 weeks<br>○ 18.2 million clients tested for HIV (including antenatal)<br>○ 381 970 medical male circumcision performed<br>○ 258 425 patients on antiretroviral therapy initiated on isoniazid preventative therapy<br>• TB component<br>○ 2.6 million patients tested for TB using gene xpert<br>○ 98 855 eligible HIV positive patients tested for TB using urine lipoarabinomannan assay<br>○ 94.3 per cent drug sensitive TB treatment start rate (under five years and five years and older combined)<br>○ 77.2 per cent rifampicin resistant confirmed treatment start rate |
| **Projected life** | • Ongoing in line with national strategic plan on the HIV, STI and TB for 2023 – 2027 |
| **MTEF allocations** | • 2025/26: R24.9 billion; 2026/27: R26.1 billion; and 2027/28: R27.3 billion |
| **Payment schedule** | • Monthly instalments based on the approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Visit provinces twice a year to monitor implementation and provide support<br>• Report to the National Treasury on an additional set of indicators on progress against the 95-95-95 targets<br>• Meet with National Treasury to review grant performance twice a year |
| | **Responsibilities of provincial departments**<br>• Quarterly performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department. Submit an electronic version to be followed by a hard copy signed by the provincial grant receiving manager<br>• Clearly indicate measurable objectives and performance targets as agreed with the national department in the provincial departmental business plans for 2025/26 and over the medium-term expenditure framework period |
| **Process for approval of 2026/27 business plans** | • Submission of draft business plans to the national Department of Health by 31 October 2025<br>• Submission of final business plans to the national Department of Health by 27 February 2026<br>• Submission of final business plans to the National Treasury by 2 April 2026 |

| District Health Programmes Grant: District Health Component | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • Prevention and treatment of malaria, including the implementation of national strategic plan on malaria elimination<br>• To enable the health sector to prevent cervical cancer by making available Human Papillomavirus (HPV) vaccinations to all eligible girls aged 9-14 years with a single dose of HPV vaccine in all settings<br>• To improve access to community based primary health care services through ward based primary health care outreach teams |
| **Grant purpose** | • To enable the health sector to develop and implement an effective malaria response in support of the implementation of the national strategic plan on malaria elimination<br>• To enable the health sector to prevent cervical cancer by making available HPV vaccinations to all eligible girls aged 9-14 years with a single dose of HPV vaccine in all settings<br>• To ensure provision of quality community outreach services through ward based primary health care outreach teams by ensuring community health workers receive remuneration, tools of trade and training in line with scope of work |
| **Outcome statements** | • Improved implementation of malaria strategies in support of malaria elimination efforts<br>• 90 per cent of girls aged 9-14 years are vaccinated with a single dose of HPV vaccine in all settings<br>• 90 per cent of schools with eligible girls reached with a single dose during the multi-aged cohort campaign and in all settings<br>• Progressive integration of HPV vaccinations into the integrated school health programme<br>• Improved access to quality primary health care services at community level with a focus on preventive and promotive care, screening for health conditions and referral for relevant services |
| **Outputs** | • Malaria:<br>o number of malaria-endemic municipalities with 95 per cent or more indoor residual spray coverage<br>o percentage of confirmed malaria cases notified within 24 hours of diagnosis in endemic areas<br>o percentage of confirmed malaria cases investigated and classified within 72 hours in endemic areas<br>o percentage of identified health facilities with recommended malaria treatment in stock<br>o percentage of identified health workers trained on malaria elimination<br>o percentage of population reached through malaria information education and communication on malaria prevention and early health-seeking behaviour interventions<br>o percentage of vacant funded malaria positions filled as outlined in the business plan<br>o number of malaria camps refurbished and/or constructed<br>• HPV vaccination:<br>o 90 per cent of girls aged 9-14 years are vaccinated with a single dose of HPV vaccine in all settings<br>o 90 per cent of schools with eligible girls reached with a single dose during the multi-aged cohort campaign and in all settings (in and out of schools)<br>• Community outreach services:<br>o number of community health workers receiving a stipend<br>o number of community health workers trained<br>o number of HIV clients lost to follow-up traced<br>o number of TB clients lost to follow-up traced<br>o number of households 1st and follow-up visits conducted |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | The following priority areas must be supported through the grant:<br>• Programme management strengthening for malaria elimination through hiring of staff for approved malaria posts<br>• Establishment of malaria response core groups or teams<br>• Malaria elimination acceleration strategies<br>o implementation of activities under the foci clearing programme<br>o malaria drug efficacy and resistance monitoring<br>o malaria insecticide resistance monitoring<br>• Malaria surveillance, prevention and treatment<br>o mobile active testing units<br>o testing and treating through active testing in the community<br>o health promotion activities which address indoor residual spraying importance<br>o health promotion activities to promote preventative measures to be taken during travel to endemic areas and treatment seeking behavior<br>• Malaria vector control<br>o entomological surveillance during routine surveillance and foci investigations<br>o indoor residual spraying<br>o integrated vector management activities<br>o improvement of indoor residual spray camp infrastructure |

| District Health Programmes Grant: District Health Component | |
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| | • Provinces must maintain funding for malaria from their equitable share at 2016/17 levels, as adjusted for inflation<br>• A maximum of 3 per cent of each allocation of this grant may be utilised for administration costs related to malaria, HPV, and community outreach services programmes<br>• Social mobilisation to promote the uptake of the HPV vaccination to prevent cervical cancer should be done as part of the integrated school health programme<br>• The grant must be used for the implementation of the ward based primary health care outreach teams policy framework and strategy<br>• All contracted non-governmental organisations receiving funding from this grant for community outreach services must have a service level agreement with the relevant provincial department of health including performance indicators. This is applicable to Western Cape only as per the standing arrangement<br>• Provinces that make transfer payments to non-governmental organisations for the community outreach services programme should follow the stipulations of section 8.4 of the Treasury Regulations and section 38(1)(j) of the Public Finance Management Act<br>• For community outreach services, the grant can only fund the maximum of the community health worker stipend and any adjustment in line with the cost-of-living adjustment as approved and gazetted by the Department of Employment and Labour<br>• The following is the allocation for all the programmes funded from this grant:<br>**HPV vaccination** **Malaria** **Community Outreach Services**<br>o Eastern Cape: R44 million R211 million<br>o Free State: R15 million R155 million<br>o Gauteng: R36 million R582 million<br>o KwaZulu-Natal: R58 million R18 million R661 million<br>o Limpopo: R35 million R75 million R425 million<br>o Mpumalanga: R23 million R31 million R328 million<br>o Northern Cape: R6 million R114 million<br>o North West: R17 million R298 million<br>o Western Cape: R25 million R226 million<br>• The above allocations must be linked to an objective segment on the basic accounting system<br>• Approval to shift funds between programmes is vested with the transferring officer and should be communicated with National Treasury |
| **Allocation criteria** | • Allocations are based on malaria incidence and provincial equitable share allocations in endemic provinces, the number of girls aged 9-14 years from the education management information system in each province, the population numbers post-demarcation, assessment of the need in different provinces and the availability of funds |
| **Reasons not incorporated in equitable share** | • Malaria is a key national priority, and a seasonal disease, and requires a coordinated response during defined periods for all endemic provinces which is most effectively achieved through a conditional grant and not all provinces are affected<br>• Cervical cancer is a high national priority and requires uniform implementation to achieve the minimum coverage of 90 per cent and have the desired impact of significantly reducing incidences of cervical cancer<br>• The approval of the policy in 2018 formalised the community health workers programme as a component of primary health care and as a national priority. The implementation of the policy requires a focused approach to implementation and monitoring to achieve the desired outputs and outcomes on defined health indicators |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Malaria: allocated and transferred R108 million to provinces, of which R106 million (98 per cent) was spent by the end of the financial year<br>• HPV vaccination: allocated and transferred R225 million to provinces, of which R210 million (93 per cent) was spent by the end of the financial year<br>• Community Outreach Services: allocated and transferred R2.6 billion to provinces, of which R2.5 billion (97 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• Malaria:<br>o 18 out of the 20 targeted municipalities reached above 95 per cent of the indoor residual spray coverage<br>o 33 per cent of all the confirmed cases were notified with 24 hours of diagnosis in the endemic districts<br>o 80 per cent of the confirmed cases were investigated and classified within 72 hours in the endemic districts<br>o 100 per cent of identified health facilities had the recommended treatment in stock<br>o 90 per cent of all identified health workers trained on malaria elimination<br>o 90 per cent of the population were reached through malaria information education and communication campaigns<br>o 90 per cent of vacant funded malaria positions were filled<br>o 6 malaria camps were refurbished and/or constructed<br>• HPV vaccination:<br>o 97 per cent of schools with grade five girls reached by the HPV vaccination team with one dose, with all provinces reaching above 90 per cent of schools<br>o 88.6 per cent of grade five school girls vaccinated for HPV with one dose with all provinces above 80 per cent learners vaccinated with HPV vaccine<br>o The national advisory group for immunization recommended the one dose vaccines to all girls. For the 2023/24 financial year HPV vaccination campaign, all girls in public schools were vaccinated with only one dose |

| District Health Programmes Grant: District Health Component | |
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| | • Community Outreach Services:<br>o 42 500 community health workers receiving stipend<br>o 22 895 community health workers trained<br>o 815 041 HIV defaulters traced<br>o 99 672 TB defaulters traced<br>o 14 million households 1st and follow-up visits conducted (new indicator) |
| **Projected life** | • Grant will continue until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R3.4 billion; 2026/27: R3.6 billion; and 2027/28: R3.7 billion |
| **Payment schedule** | • Monthly instalments based on the approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Visit provinces twice a year to monitor implementation and provide support<br>• Report to the National Treasury on an additional set of indicators if and when agreed upon between the two departments<br>• Meet with National Treasury to review grant performance twice a year<br>• Manage the contracts for HPV vaccines and the supporting information systems<br>• Monitor and support provincial planning and implementation and reporting<br>• Strengthen the capacity of provinces to deliver the HPV vaccination programme<br>• Submission of quarterly reports to the National Treasury as prescribed by the 2025 Division of Revenue Act (DoRA) and monthly expenditure with variance explanations in terms of the Public Finance Management Act<br>• Approved business plans must be submitted by the national Department of Health (DoH) to National Treasury by 28 March 2025 |
| | **Responsibilities of provincial departments**<br>• The business plan, signed by the receiving officer and in the prescribed format, must be submitted to the transferring officer by 28 February 2025<br>• Quarterly financial and performance output reports to be submitted within 30 days following the reporting period using standard formats as determined by the national department, including measurable objectives and performance targets as agreed with DoH. Reports must include budgets and expenditure under both provincial equitable share and the conditional grant<br>• Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme<br>• Assign a dedicated official the responsibility for managing the grant and related components<br>• Where possible, utilise existing human resource and transport capacity at all relevant levels and augment capacity where needed on a contractual basis<br>• Provide a list of contracted non-governmental organisations that will provide services<br>• Include the indicators in the provincial annual performance plans and ensure compliance with the 2025 DoRA<br>• Ensure that all the national indicators' data sets related to community health workers are entered into the district health information system and that there is accordance between the metrics in the district health information system and the 2025 DoRA reporting for community outreach services |
| **Process for approval of 2026/27 business plans** | • Submission of a draft business plan to DoH by 31 October 2025<br>• Submission of final business plans to the DoH by 27 February 2026<br>• Submission of final business plans to National Treasury by 31 March 2026 |

| Health Facility Revitalisation Grant | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To enable provinces to plan, manage, and transform health infrastructure in line with national and provincial policy objectives |
| **Grant purpose** | • To help to accelerate maintenance, renovations, upgrades, additions, and construction of infrastructure in health<br>• To help on replacement and commissioning of health technology in existing and revitalised health facilities<br>• To enhance capacity to deliver health infrastructure<br>• To accelerate the fulfilment of the requirements of occupational health and safety |
| **Outcome statements** | • Improved service delivery by provincial departments as a result of an enhanced and better quality of health services<br>• Improved quality and quantity of well-maintained health infrastructure (backlog and preventative maintenance)<br>• Improved rates of employment and skills development in the delivery of infrastructure<br>• Value for money and cost-effective design of facilities in line with the framework for infrastructure procurement and delivery management |
| **Outputs** | • Number of primary health care facilities constructed or revitalised<br>• Number of hospitals constructed or revitalised<br>• Number of facilities maintained or refurbished |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • The business plan for this grant consists of the following:<br>o the user-asset management plan for at least 10 years<br>o infrastructure programme management plan over the 2025 medium term expenditure framework (MTEF) including a list of projects<br>o annual implementation plan |
| **Conditions** | • Projects should be initiated in terms of the control framework of the framework for infrastructure procurement and delivery management stage one which requires an initiation report. Pre-feasibility and feasibility reports are required for all projects<br>• With the exception of funding for costs incurred on stages one and two of the framework for infrastructure procurement and delivery management, projects (business case, project brief and design for all new or replacement facilities and upgrades or additions projects that need licensing) must be approved by the national transferring officer before funds can be released for such projects<br>• The management and procurement of all projects funded through this grant must follow the prescripts of the infrastructure delivery management system and framework for infrastructure procurement and delivery management<br>• Provinces may utilise a portion of grant funding for the appointment of public servants on a permanent basis to their infrastructure units in line with human resource capacitation circular published annually by National Treasury<br>• In instances where the capacity of the provincial departments of public works is deemed insufficient, the provincial department of health will be entitled to engage alternative implementing agents, provided that supply chain management processes as prescribed in the Treasury Regulations for appointment of service providers are followed<br>• Provincial departments of health must enter into a service delivery agreement with their implementing agents<br>• Appropriately qualified built environment representatives from the provincial departments' infrastructure units must assist in the procurement of professional service providers and contractors by its implementing agent, through representation as a member on the specification, evaluation and adjudication committees of the implementing agent<br>• New facilities will only be funded from the grant if proof of operational budget that includes the approved organisational structure (staff structure) is submitted prior to the approval of the clinical brief. Endorsement of the operational budget by the provincial treasury will have to be acquired as part of the approval process<br>• The funding from this conditional grant may only be utilised for planned and unplanned maintenance of infrastructure, renovations, upgrading and additions of infrastructure, new and replacement of infrastructure, health technology provision and quality assurance interventions linked to infrastructure projects. The conditional grant should not be used for day-to-day maintenance<br>• An amount of R858 million is allocated Limpopo through the Budget Facility for Infrastructure for the construction of the Siloam District Hospital in 2025/26. The amount earmarked for Siloam District Hospital may only be used for this project |
| **Allocation criteria** | • Allocations for 2025/26 are project and performance based |
| **Reasons not incorporated in equitable share** | • Funding infrastructure through a conditional grant enables the national department to ensure the delivery, rehabilitation, maintenance and upgrading of health infrastructure in a coordinated and efficient manner and to ensure consistency with national norms, standards and guidelines for health facilities |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R6.7 billion available and transferred to provinces, R6.7 billion (100 per cent) was spent by provinces |
| | **2023/24 service delivery performance**<br>• 49 primary health care facilities constructed or revitalised<br>• 29 hospitals constructed or revitalised<br>• 299 public health care facilities (clinics, hospitals, nursing colleges, emergency medical service base) maintained, repaired and/or refurbished |
| **Projected life** | • Health is a key government priority and given the need to continually maintain health infrastructure to ensure that norms and standards are maintained, the grant is expected to remain in place until at least the end of the 2025 MTEF |
| **MTEF allocations** | • 2025/26: R7.2 billion; 2026/27 R7.6 billion; and 2027/2: R8.2 billion |
| **Payment schedule** | • Transfers are made on a quarterly basis in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the** | **Responsibilities of the national department** |

| Health Facility Revitalisation Grant | |
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| **transferring officer and receiving officer** | • Coordinate and facilitate site visits<br>• Attend quarterly provincial infrastructure progress review meetings with National Treasury<br>• Provide guidance to provinces on planning, prioritisation and evaluating of user-asset management plan, infrastructure programme management plan, annual implementation plan, project proposals and concept reports that provinces develop and submit<br>• Capital transfers to provinces (planned, actual and revised) related to this conditional grant must be reported in the national infrastructure reporting model<br>• Review if provinces comply with the framework for infrastructure procurement and delivery management<br>• Issue guidelines on the capacitation process of infrastructure units, as well as the conditions attached to the utilisation of funds<br>• National Department of Health (DoH) and National Treasury must jointly evaluate progress with capacitation of provincial infrastructure units and provide feedback to all provinces<br>• DoH must submit quarterly infrastructure reports to National Treasury, according to the template agreed between National Treasury and DoH within 45 days after the end of each quarter |
| | **Responsibilities of provincial departments**<br>• Provincial departments must hold progress review meetings with the relevant implementing agents<br>• Annual implementation plans (which include an equipment list) signed-off by the head of department, sent to the DoH for approval by 28 February 2025<br>• The 2025 MTEF project list as captured in the annual implementation plan for both current and capital budgets should cover:<br>o planned and unplanned maintenance of infrastructure, except day-to-day maintenance<br>o renovations, upgrading and additions of infrastructure<br>o new and replacement of infrastructure<br>o health technology provision<br>o quality assurance interventions linked to infrastructure projects<br>• Provinces must submit to DoH quarterly reports for all projects funded in the 2025/26 financial year in this grant to the infrastructure reporting model through the project management information system<br>• Provinces must report infrastructure projects and related infrastructure support funded through this conditional grant in the provincial infrastructure reporting model monthly and quarterly<br>• Provincial departments of health must align infrastructure plans (user-asset management plan and infrastructure programme management plan) with their respective strategic plans and annual performance plans<br>• Provinces will include or transfer to the Department of Public Works and Infrastructure the list of completed projects to be part of their asset register<br>• Provinces should undertake life cycle maintenance as well as the full operation, staffing and management of the projects in facilities completed under this grant |
| **Process for approval of 2026/27 business plans** | • The process for approval for the 2026 MTEF will be in line with the performance-based incentive approach guidelines published by National Treasury and DoH<br>• Submission of the user-asset management plan for 2026/27 to National Treasury and DoH by 27 June 2025<br>• Submission of the infrastructure programme management plan for 2026/27 to National Treasury and DoH by 29 August 2025<br>• Submission of the final 2026/27 project list aligned with the MTEF allocations and annual implementation plan by 27 February 2026 |

| Human Resources and Training Grant | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To contribute to the implementation of the national human resource plan for health through the clinical training and supervision of health science trainees in designated public health facilities in South Africa<br>• Effective implementation of the human resources for health strategy and health workforce capacity development for sustainable service delivery |
| **Grant purpose** | • To appoint statutory positions in the health sector for systematic realisation of the human resources for health strategy and the phase-in of National Health Insurance<br>• Support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform |
| **Outcome statements** | • Progressive realisation of the national human resource plan for health<br>• Clinical training and supervision capacity established in designated developmental provinces (Eastern Cape, Limpopo, Mpumalanga, Northern Cape, and North West)<br>• Enhanced access to healthcare services by addressing critical skills shortages in underserved communities |
| **Outputs** | • Number and percentage of statutory posts funded from this grant (per category and discipline) and other funding sources<br>• Number and percentage of registrars' posts funded from this grant (per discipline) and other funding sources<br>• Number and percentage of specialists' posts funded from this grant (per discipline) and other funding sources |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Non-financial business plan – number of specialists, registrars, medical officers, clinical supervisors/tutors per category in nursing, emergency medical services, allied health, pharmacy and grant administration staff funded from the grant<br>• Financial business plan – allocation by economic classification to each category of clinical trainer/supervisor |
| **Conditions** | • Cost of administration of the grant must not exceed 1 per cent of the total grant allocation<br>• This grant has two components<br>**Statutory Human Resources Component**<br>• The statutory human resources component must only be utilised for funding of statutory posts<br>**Training Component**<br>• The training component must prioritise all registrar posts and the balance of the allocation may be utilised for specialist (supervisors) and other approved categories<br>• Additional funds have been allocated for the developmental portion and the breakdown per province is as follows:<br>o Eastern Cape: R9 million<br>o Limpopo: R5 million<br>o Mpumalanga: R4 million<br>o Northern Cape: R3 million<br>o North West: R4 million<br>• The developmental allocation will be withheld and transferred to other developmental provinces if a province fails to spend these funds. Developmental allocations are only applicable to the training and development component |
| **Allocation criteria** | • Statutory Human Resources component allocations are based on the following criteria:<br>o provinces with greatest needs have been prioritised<br>o number of statutory posts<br>o future projections of professional production versus need<br>• Training component is based on historical allocations and spending patterns |
| **Reasons not incorporated in equitable share** | • Provinces give effect to the national human resource strategy through the clinical training and supervision of health science trainees on the public health service platform<br>• National coordination is needed for health science training<br>• To ensure that the additional human resources funded through this component address unmet health needs as opposed to perpetuating historical allocation patterns<br>• Allocation of medical interns and community service applicants is a national function |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Statutory Human Resources component: allocated and transferred R2.7 billion to provinces, of which R2.7 billion (99.1 per cent) was spent by the end of the financial year<br>• Training component: allocated and transferred R2.8 billion to provinces, of which R2.8 billion (99.9 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 2 546 statutory medical interns posts funded from this grant and other funding sources<br>• 7 688 statutory community service posts funded from this grant and other funding sources<br>• 3 281 registrars posts funded from this grant and other funding sources<br>• 3 266 specialist posts funded from this grant and other funding sources |
| **Projected life** | • The grant is subject to review at the end of 2027/28. Its projected life will be guided by the need for health science trainees to be trained and supervised on the public health service platform |
| **MTEF allocations** | • Total allocation in 2025/26: R5.6 billion; 2026/27: R5.9 billion; and 2027/28: R6.2 billion, of which<br>o Statutory Human Resources component: 2025/26: R2.6 billion; 2026/27: R2.8 billion and 2027/28: R2.9 billion<br>o Training component: 2025/26: R3 billion; 2026/27: R3.2 billion and 2027/28: R3.3 billion |

| Human Resources and Training Grant | |
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| **Payment schedule** | • Monthly instalments as per approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• National Department of Health (DoH) to submit approved business plans to the National Treasury by 28 March 2025<br>• Convene at least one annual meeting of national or provincial and facility programme managers<br>• Monitor the number of health science trainers/clinical supervisors that are responsible for health science training on the public health service delivery platform<br>• Conduct a minimum of one site visit to provinces and site visits to selected facilities on a rotational basis<br>• Submission of quarterly financial and non-financial performance reports to National Treasury<br>• Meet with National Treasury to review the performance of the grant twice a year |
| | **Responsibilities of provincial departments**<br>• Provinces are to submit an approved business plan in the prescribed format signed by the provincial head of department to the DoH by 24 February 2025<br>• Provinces are encouraged to maintain a separate budget for each benefiting facility/cluster<br>• Monitor the implementation of the grant and report quarterly to DoH<br>• Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme and to facilities to implement systems<br>• All developmental provinces must ring-fence the developmental allocation and report on expenditure and implementation progress in their quarterly reports<br>• To report on the number of clinical supervisors associated with clinical training and supervision of students, funded on the public health service delivery platform:<br>o number of specialists<br>o number of registrars<br>o number of medical officers<br>o number of clinical associates<br>o number of postgraduates<br>o number of clinical supervisors/trainers per category in nursing, emergency medical services and allied health and pharmacy<br>o number of grant administration staff |
| **Process for approval of 2026/27 business plans** | • Draft business plans for 2026/27 must be submitted in the approved format by 24 October 2025<br>• Completion of an approved business plan, in the prescribed format, signed by each receiving officer by 27 February 2026 and the transferring officer by 31 March 2026 |

| National Health Insurance Grant | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To achieve universal health access through the phased implementation of National Health Insurance (NHI) and to improve access to quality health care services |
| **Grant purpose** | • To expand the health care service benefits through the strategic purchasing of services from health care providers |
| **Outcome statements** | • Implementation of strategic purchasing platform for primary health care providers<br>• Strengthen mental health care service delivery in primary health care and community-based mental health services<br>• Improved forensic mental health services |
| **Outputs** | **Health Professionals Contracting**<br>• Number of health care providers contracted<br>• Number of sessions covered by contracted health care providers<br>**Mental Health**<br>• Number of mental health care providers contracted (per category: psychiatrists, medical officers with a diploma in mental health or psychiatry, psychologists, registered counsellors, occupational therapists and , social workers )<br>• Number of users seen by the contracted mental health care providers<br>• Number of forensic mental observations conducted by the contracted mental health care providers |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Background of the grant, including service gaps that the health care providers contracted with the grant will assist to address<br>• Key activities and resources funded by the grant<br>• Contracting models<br>• Indicators and targets for each quarter. Indicators and targets must be aligned to the different health care providers contracted<br>• Monitoring and evaluation framework<br>• Risk management plan<br>• Cash flow requirements<br>• An appendix with all contracts and related documents |
| **Conditions** | • A health care provider cannot be contracted with any component of the NHI Grant if they are not registered and in good standing with a relevant South African statutory professional council. This council must recognise all relevant qualifications of the health care provider<br>• All health care providers contracted must primarily render direct patient clinical interventions<br>• The funding from this grant should be used to:<br>o test contracting models to purchase primary health care services. With approval from the transferring officer, provinces may consider alternative health care service benefits, delivery platforms and delivery models<br>o contract with individual health care providers, health establishments or multidisciplinary teams of primary health care providers. Different models of contracting are encouraged to enable strategic purchasing. Funds may be used to test capitation models within proof-of-concept contracting units for primary health care<br>o contract with mental health care providers to deliver mental health care services at primary health care level, and to assist with forensic mental observations. Psychiatrists, medical officers with a diploma in mental health or psychiatry psychologists, registered counsellors, occupational therapists and social workers are the only categories of mental health care providers that are funded for mental health care services<br>• The following amounts are allocated for contracting health care providers and mental health:<br>**Health Care Providers Contracting** / **Mental Health**<br>o Eastern Cape: R44 million / R20 million<br>o Free State: R20 million / R9 million<br>o Gauteng: R53 million / R43 million<br>o KwaZulu-Natal: R53 million / R35 million<br>o Limpopo: R34 million / R19 million<br>o Mpumalanga: R20 million / R14 million<br>o Northern Cape: R21 million / R4 million<br>o North West: R21 million / R13 million<br>o Western Cape: R19 million / R19 million<br>• No more than 3 per cent of the funds from this grant may be used for administration of this grant or 'tools-of-trade' to enable the work of the contracted health care providers<br>• Approval to shift funds between programmes is vested with the transferring officer and any shift should be communicated with National Treasury |
| **Allocation criteria** | • Allocations are based on<br>o historical allocations<br>o user and provider needs<br>o number of health care providers contracted |

| National Health Insurance Grant | |
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| | ○ number of patients reported<br>○ past expenditure |
| **Reasons not incorporated in equitable share** | • Capitation contracting of providers and establishments for primary health care service provision will be the primary method of reimbursement under the NHI. Towards successful implementation of the NHI, dedicated funding to test and improve these processes is necessary |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R694 million made available for the grant, R694 million (100 per cent) was spent |
| | **2023/24 service delivery performance**<br>• 476 health care providers contracted<br>• 257 976 users seen by contracted mental health care providers at primary health care level |
| **Projected life** | • Expected to remain in place until the NHI Fund is created through legislation |
| **MTEF allocations** | • 2025/26: R467 million; 2026/27: R476 million; and 2027/28: R497 million |
| **Payment schedule** | • Payments will be made monthly in line with the approved payment schedule |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of national department**<br>• Provide oversight and support to provincial departments to ensure achievement of the grant outcomes<br>• Submission of quarterly financial and non-financial performance reports to the National Treasury<br>• Business Plans must be submitted to National Treasury by 3 April 2025 |
| | **Responsibilities of provincial departments**<br>• Facilitate the achievement of grant outputs<br>• Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant<br>• Provincial departments of health must provide the transferring officers with full and unrestricted access to all records and data related to the programme and to accommodate oversight site visits<br>• Contract management must be done internally by the receiving officers<br>• Receiving officers must perform adequate monitoring and evaluation of the programme<br>• Submission of quarterly financial and non-financial performance reports to the transferring officer not later than 30 days after the end of the quarter<br>• Submission of an annual financial and non-financial performance report to the transferring officer not later than 60 days after the end of the financial year |
| **Process for approval of 2026/27 business plans** | • Provinces must submit a draft business plan to the transferring officer by 30 October 2025<br>• Provinces must submit a final approved business plan to the transferring officer by 27 February 2026<br>• Submission of approved business plan by the transferring officer to the National Treasury by 2 April 2026 |

| National Health Insurance Indirect Grant | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 6, Part A |
| **Strategic goal** | • To strengthen the public health care system in preparation for implementation of National Health Insurance (NHI), design of NHI through innovative testing of new reforms and to improve quality of services at primary health care facilities<br>• To achieve universal health access through the phased implementation of NHI and to improve access to quality health care services<br>• To ensure appropriate health infrastructure that is in line with national and provincial policy objectives<br>• This grant has two components:<br>o health facility revitalisation component<br>o health systems component |
| **Grant purpose** | • To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for NHI<br>• To enhance capacity and capability to deliver infrastructure for NHI<br>• To accelerate the fulfilment of the requirements of occupational health and safety<br>• To implement the centralised models for the dispensing and distribution of chronic medication<br>• Develop and roll-out new health information systems in preparation for NHI<br>• Enable the health sector to address the deficiencies in the primary health care facilities systematically through the implementation of the ideal clinic programme<br>• To expand the healthcare service benefits through the strategic purchasing of services from health care providers |
| **Outcome statements** | • As specified in the two component frameworks |
| **Outputs** | • As specified in the two component frameworks |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • As specified in the two component frameworks |
| **Conditions** | • As specified in the two component frameworks |
| **Allocation criteria** | • As specified in the two component frameworks |
| **Reasons not incorporated in equitable share** | • As specified in the two component frameworks |
| **Past performance** | **2023/24 audited financial outcome**<br>• As specified in the two component frameworks |
| | **2023/24 service delivery performance**<br>• As specified in the two component frameworks |
| **Projected life** | • Subject to policy developments that will be finalised as part of the implementation of NHI |
| **MTEF allocations** | • 2025/26: R3.3 billion; 2026/27: R2.6 billion and 2027/28: R2.6 billion of which the two components are:<br>o Health Facility Revitalisation Component: 2025/26: R2.5 billion; 2026/27: R1.8 billion and 2027/28: R1.8 billion<br>o Health Systems Component: 2025/26: R797 million; 2026/27: R820 million and 2027/28: R857 million |
| **Payment schedule** | • As specified in the two component frameworks |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• As specified in the two component frameworks |
| | **Responsibilities of provincial departments**<br>• As specified in the two component frameworks |
| **Process for approval of 2026/27 business plans** | • As specified in the two component frameworks |

| National Health Insurance Indirect Grant: Health Facility Revitalisation Component | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 6, Part A |
| **Strategic goal** | • To ensure appropriate health infrastructure that is in line with national and provincial policy objectives |
| **Grant purpose** | • To create an alternative track to improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI)<br>• To enhance capacity and capability to deliver infrastructure for NHI<br>• To accelerate the fulfilment of the requirements of occupational health and safety |
| **Outcome statements** | • Appropriate procurement of service providers for infrastructure delivery for NHI<br>• Improved spending, performance, monitoring and evaluation of infrastructure projects for NHI<br>• Improved employment and skills development in the delivery of infrastructure for NHI<br>• Value for money and cost-effectively designed facilities in line with the framework for infrastructure delivery and procurement management<br>• Improved patient experience of care |
| **Outputs** | • Number of primary health care facilities constructed or revitalised<br>• Number of hospitals constructed or revitalised<br>• Number of facilities maintained, repaired and/or refurbished |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • The infrastructure programme management plan for the 2025 medium term expenditure framework (MTEF) aligned to the infrastructure delivery management system and framework for infrastructure delivery and procurement management will be submitted on 31 March 2025 and will include the following:<br>o costed project lists with annual cash flow projections per project for the full duration of the projects on the programme<br>o projected milestones per project for framework for infrastructure delivery and procurement management control framework stages indicating current stage of the project<br>o project allocation list to the various implementing agents |
| **Conditions** | • The national Department of Health (DoH) must, in consultation with the provinces, have in place an intergovernmental protocol framework covering the 2025 MTEF and outlining how the grant will operate as well as the responsibility and functions of each sphere. Project sheets will form part of the agreement<br>• Should there be an amendment to an existing protocol agreement, the amended agreement should be submitted to the National Treasury by 31 March 2025<br>• Prior to submitting the infrastructure programme management plan, each provincial department must have signed-off a project sheet for all projects funded from the grant which lists program name, sub programme or project name, facility associated, current status, projected status for the MTEF, expected stage at handover to the province and any high level comments associated<br>• With all new projects, DoH must comply with the framework for infrastructure delivery and procurement management processes<br>• Only projects that are aligned to priorities and needs as defined within the health infrastructure portfolio plan would be considered for implementation through this grant<br>• For projects with a total project cost exceeding R500 million, DoH must notify National Treasury when framework for infrastructure delivery and procurement management stage three is reached<br>• The grant component must only be spent on projects included in the infrastructure programme management plan and project lists signed by provinces. Projects can only be added after approval by the National Treasury<br>• Appropriately qualified built environment representatives from the national department must assist in the procurement of professional service providers and contractors by its implementing agent<br>• DoH may utilise a portion of grant funding for the appointment of public servants to their infrastructure units. The amount that can be used for this is determined in terms of the conditions set in terms of the 2025 Appropriation Act<br>• All completed projects must have a close-out report with a documented maintenance plan<br>• New facilities will only be funded from the grant if proof of operational budget that includes the approved organisational structure (staff structure) is submitted prior to the approval of the clinical brief. Endorsement of the operational budget by the provincial treasury must be acquired as part of the approval<br>• An amount of R569 million is allocated to Limpopo through the Budget Facility for Infrastructure (BFI) for the construction of the Limpopo Academic Hospital in 2025/26. The amounts earmarked for Limpopo Academic Hospital may only be used for this project and are subject to the conditions set out in Annexure B of the 2018 MTEF allocation letter of the DoH |
| **Allocation criteria** | • Allocations for 2025/26 are project based<br>• Allocation is dependent on the existence of a signed and agreed to implementation protocol agreements<br>• Allocation for budget adjustment is dependent on project performance and associated priority |
| **Reasons not incorporated in equitable share** | • Funding infrastructure through an indirect conditional grant enables the national department to ensure the delivery and maintenance of health infrastructure in a coordinated and efficient manner that is consistent with national norms, standards and guidelines for health facilities |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Allocated R1.3 billion, of which R1.3 billion (101 per cent) was spent by the end of the financial year (including the earmarked allocation for Limpopo Academic Hospital) |
| | **2023/24 service delivery performance**<br>• Two primary health care facilities constructed or revitalised<br>• Two hospitals constructed or revitalised |

| National Health Insurance Indirect Grant: Health Facility Revitalisation Component | |
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| **Projected life** | • NHI is a key government priority and given the need to continually maintain health infrastructure and ensure that norms and standards are maintained, the grant will continue over the 2025 MTEF, subject to review |
| **MTEF allocations** | • 2025/26: R2.5 billion; 2026/27: R1.8 billion; and 2027/28: R1.8 billion |
| **Payment schedule** | • Estimated monthly cashflow forecast available on all projects implemented through the grant<br>• Monthly payments made according to verified and approved invoices from the services providers for projects that are implemented by the department. Quarterly tranche payments are made to implementing agents responsible for other projects |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Build and demonstrate the capacity necessary to manage this grant<br>• Ensure alignment between the infrastructure programme management plan and the annual performance plan<br>• Undertake the infrastructure development cycle as per the framework for infrastructure delivery and procurement management<br>• Convene progress review committees with appropriate reporting and invite National Treasury and provinces<br>• DoH must maintain an up-to-date database (project management information system), with all contracts that are fully or partially funded by this grant<br>• DoH must report infrastructure projects implemented with voted funds in the national infrastructure reporting model within 22 days after the end of the quarter<br>• Collaboration and coordination with provincial departments of health for the full development cycle of infrastructure development in respect of projects funded by this grant<br>• In instances where the capacity of the DoH and the provincial department are deemed insufficient, DoH is entitled to engage alternative implementing agents, provided that supply chain management processes as prescribed in the Treasury Regulations for the appointment of service providers are followed. In those cases, service level agreements between DoH and the implementing agent must be in place<br>• DoH must convene quarterly progress review committee meetings with all project managers and implementing agents for monitoring and oversight of the performance of all funded projects. National Treasury should be invited to the meetings<br>• Provide provincial departments of health with progress of the projects under this grant for inclusion in provincial annual reports<br>• DoH must submit quarterly infrastructure reports to National Treasury, according to the agreed template between National Treasury and DoH, within 45 days after the end of each quarter |
| | **Responsibilities of provincial departments**<br>• Provide accurate and detailed clinical brief to projects defining the need of projects. This should include any prefeasibility and feasibility works to obtain sufficient approval of projects<br>• Participate in design and delivery activities of projects implemented within their provinces as part of the grant. This includes facilitation of issues and risks mitigation under their ambit of control<br>• Be responsive and time conscious in the review and validation of project deliverables on the critical path of the projects undertaken through the grant<br>• Ensure that sufficient budget is made available for the staffing, operationalisation and maintenance of facilities post works<br>• Ensure that the completed projects are included in the asset registers of the provincial custodian of state-owned facilities<br>• Undertake life cycle maintenance as well as the full operation, staffing and management of the facilities completed under this grant by the DoH<br>• All immovable asset management and maintenance responsibilities of the completed projects under this grant as prescribed by the Government Immovable Asset Management Act of 2007 rests with the provinces<br>• Provinces should report on progress of the projects under this grant in their annual reports and describe how these facilities have been considered in their future planning and budgeting. The projects must be included in the provincial user-asset management plans |
| **Process for approval of 2026/27 business plans** | • Submission of a draft infrastructure programme management plan to the National Treasury by 30 October 2025<br>• Submission of the final infrastructure programme management plan to the National Treasury by 31 March 2026<br>• Submission of signed implementation protocol by 31 March 2026 |

| National Health Insurance Indirect Grant: Health Systems Component | |
|---|---|
| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 6, Part A |
| **Strategic goal** | • To strengthen the public healthcare system in preparation for National Health Insurance (NHI)<br>• To strengthen the design of NHI through innovative testing of new reforms<br>• To improve the quality of services at primary health care facilities<br>• To improve the quality of services in health care facilities |
| **Grant purpose** | • To expand the alternative models for the dispensing and distribution of chronic medication<br>• To develop and roll out new health information systems in preparation for NHI, including human resource for health information systems<br>• To enable the health sector to address the deficiencies in primary health care facilities systematically and to yield fast results through the implementation of the ideal clinic programme<br>• To implement a quality improvement plan |
| **Outcome statements** | • Improved access to and quality of healthcare through:<br>o expansion of the alternative dispensing and distribution model for chronic medication<br>o improved quality health services in all primary health care facilities through the ideal clinic programme<br>o building and implementation of the enterprise architecture design for national health insurance digital information systems<br>o development and implementation of systems for medicines stock management and procurement<br>o certification of all public health facilities by the Office of Health Standards Compliance (OHSC) |
| **Outputs** | • Alternative chronic medicine dispensing and distribution model implemented<br>• Number of new and number of total patients registered in the programme, broken down by the following:<br>o antiretroviral treatment<br>o antiretroviral with co-morbidities<br>o non-communicable diseases<br>o number of pickup points (state and non-state)<br>• Intern community service programme system maintained and improvements effected<br>• Number and percentage of primary healthcare facilities peer reviewed against the ideal clinic standards<br>• Number and percentage of primary healthcare facilities achieving an ideal status<br>• Number of public health facilities implementing the health patient registration system<br>• Number and percentage of the population registered on the health patient registration system<br>• National data centre hosting environment for NHI information systems established, managed and maintained<br>• Development and implementation of the master facility list policy<br>• Number of primary healthcare facilities implementing an electronic stock monitoring system<br>• Number of hospitals implementing an electronic stock management system<br>• Number of fixed health establishments reporting medicines availability to the national surveillance centre<br>• Number of quality learning centres established<br>• Number of facilities improving their baseline OHSC scores (or other approved quality metrics)<br>• Number of proof-of-concept contracting units for primary health care established<br>• Number of engagements towards developing contracting units for primary health care<br>• Number of frameworks drafted to enable strategic purchasing |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • Input, output indicators and outcome indicators<br>• Milestones with projected dates when this will be achieved<br>• Description of how the project will be managed including the roles and responsibilities of national and provincial departments<br>• Key activities and resource schedule<br>• Monitoring and evaluation plan<br>• Risk management plans and cash flow projections |
| **Conditions** | • Completion of a business plan by the national Department of Health (DoH) signed by the transferring officer by 2 April 2025 and submitted to the National Treasury by 2 April 2025<br>• All information systems developed and implemented under this grant component must comply with the interoperability norms and standards as approved by the national health council<br>• No more than 3 per cent of this grant component may be used for grant administration |
| **Allocation criteria** | • The alternative chronic care medication dispensing and distribution model allocations will be based on the volume of patients per province<br>• Ideal clinic allocation is based on the number of identified facilities and their needs in each province<br>• Information systems allocation is not allocated per province and will be utilised towards the development and making sure that implementation is standardised across provinces, districts and public health facilities, and towards the establishment of unified health information and management of health commodities for the country<br>• The proof-of-concept contracting units for primary health care programme allocation is based on the needs of the national project team, the provincial and contracting units for primary health care project teams, and the user and health care service provider needs within the proof-of-concept contracting units for primary health care |

| National Health Insurance Indirect Grant: Health Systems Component | |
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| **Reasons not incorporated in equitable share** | • The importance of central coordination in the development of models and the establishment of NHI to inform ongoing NHI designs<br>• Ideal clinic is a key national priority and requires a systematic implementation to achieve quality health care services<br>• In line with the sections 74(1) and 74(2) of the National Health Act 61 of 2003, DoH has to develop and coordinate all health information systems in the country. This is a complex programme with many facets that requires an iterative process of testing and implementation in a phased manner. This situation calls for dedicated funding which will allow for institutionalisation over time |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R709 million made available, R652 million was spent (92.2 per cent) by the end of the financial year |
| | **2023/24 service delivery performance**<br>• Alternative chronic medicine dispensing, and distribution model implemented<br>• 6.8 million new and total patients registered in the programme broken down<br>• 1.8 million antiretroviral treatments<br>• 464 603 antiretroviral with co-morbidities<br>• 700 750 non-communicable diseases<br>• 2 885 pickup points (non-state) and 3 543 health establishments (state) rendering the central chronic medicines dispensing and distribution service<br>• 21 primary health care facilities peer reviewed against ideal clinic standards (replaced by peer review updates facilities of which achieved ideal status) and 242 peer reviewed updates<br>• 2 706 and 104 per cent of primary health care facilities achieving an ideal status against target of 2600<br>• 3 130 primary health care facilities and 76 hospitals implementing the health patient registration system<br>• 65.4 million individuals from the population registered on the health patient registration system<br>• 3 304 primary health care facilities implementing an electronic stock monitoring system<br>• 376 hospitals implementing an electronic stock monitoring system<br>• National data centre hosting environment for NHI information systems established, maintained and operational<br>• First phase of the national health information centre platform completed<br>• 3 862 fixed health establishments reporting medicine availability to the national surveillance centre<br>• Nine proof-of-concept contracting units for primary health care established |
| **Projected life** | • Subject to policy developments that will be finalised as part of the implementation of NHI |
| **MTEF allocations** | • 2025/26: R797 million; 2026/27: R820 million; and 2027/28: R857 million |
| **Payment schedule** | • Payments will be made according to verified invoices or advance payments in line with approved programme implementation plans from the service providers<br>• Monthly instalments which may be altered at the discretion of National Treasury based on invoices paid |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• To establish contracts with service providers for the delivery of goods and services as necessary in the four sub-components outlined above<br>• Establish the necessary organisational structures and build capacity within the DoH to implement, oversee and monitor the execution of all approved projects using the 3 per cent administrative costs provision<br>• Manage, monitor and support provincial programme planning and implementation<br>• Meet with the National Treasury to review the performance of the grant on a quarterly basis<br>• Strengthen the technical support to provinces to expand the programme<br>• Strengthen the capacity of provinces to realise and maintain ideal clinic status<br>• Maintain the ideal clinic and central chronic medicines dispensing and distribution software<br>• Evaluate the impact of quality improvement activities and submit preliminary reports on progress to National Treasury and the Presidency by 29 July 2025 and 2 December 2025 and a final report by 31 March 2026 |
| | **Responsibilities of provincial departments**<br>• Facilitate the achievement of grant outputs<br>• Delegate person/s responsible for managing the ideal clinic programme, health patient registration system programme, medicines information systems and central chronic medicine dispensing and distribution, respectively<br>• Provinces are responsible for ensuring medicines availability to service providers for the central chronic medicine dispensing and distribution programme aligned to the medicine's formulary<br>• Ensure compliance with all reporting requirements and adherence to the provisions of service level agreements<br>• Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programmes and to facilities to implement systems (monitoring and evaluation, storage space for filing cabinets etc.)<br>• Include performance indicators related the four sub-components in the provincial annual performance plans<br>• Provinces must develop draft implementation plans to assume responsibility for the centralised chronic medicines dispensing and distribution, ideal clinic and information systems<br>• Submit quarterly performance reports to DoH |
| **Process for approval of 2026/27 business plans** | • Submission of the business plan signed by the transferring officer on 31 March 2026 to National Treasury |

| National Tertiary Services Grant | |
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| **Transferring department** | • Health (Vote 18) |
| **Grant schedule** | • Schedule 4, Part A |
| **Strategic goal** | • To enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform |
| **Grant purpose** | • Ensure the provision of tertiary health services in South Africa<br>• To compensate tertiary facilities for the additional costs associated with the provision of these services |
| **Outcome statements** | • Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease<br>• Accelerated modernisation of tertiary services (new services) in developmental provinces (Eastern Cape, Limpopo, Mpumalanga and North West)<br>• Accelerated oncology infrastructure (Eastern Cape, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West) |
| **Outputs** | • Number of inpatient separations<br>• Number of day patient separations<br>• Number of outpatient first attendances<br>• Number of outpatient follow-up attendances<br>• Number of inpatient days<br>• Average length of stay by facility (tertiary)<br>• Average length of stay by facility (psychiatry)<br>• Bed utilisation rate by facility (tertiary)<br>• Bed utilisation rate by facility (psychiatry) |
| **Priority of government that this grant primarily contributes to** | • Priority 3: Education, skills and health |
| **Details contained in the business plan** | • This grant uses business plans which are signed between the national Department of Health (DoH) and each provincial department of health and contain the following information:<br>o provincial and institutional budget allocations<br>o tertiary services specifications (approved YES list) funded by the grant, by facility per province<br>o annual targets and baselines for funded specialists, specialised nurses, allied health, grant management, inpatient separations, inpatient days, day patient separations, outpatient first visits, outpatient follow up visits per facility per province per year<br>o monitoring and reporting responsibilities<br>o validation and revision of data<br>o deviations or changes to tertiary services<br>o referral responsibilities<br>o approved business plan (including details on the developmental portion the modernisation of tertiary services portion and the oncology portion)<br>o approved specialists funded from the grant (approved specialist detail list)<br>o national guidelines on definitions of tertiary services that may be funded by the grant<br>o description of the planned use of the developmental allocations (only provinces who receive these)<br>o description of the planned use of the oncology developmental allocations (only provinces who receive this) |
| **Conditions** | • The grant allocation to each central/provincial tertiary facility must not exceed a maximum of 65 per cent of the total facility budget<br>• To facilitate the acceleration of modernisation of tertiary services in developmental provinces, up to 10 per cent of the provincial grant allocation should be used for the development of tertiary services currently not provided in the province or expansion of critical services where there is currently a backlog of untreated patients<br>• An approved service specification requires the appointment of a Health Professionals Council of South Africa registered specialist and in accordance with nationally approved business plan<br>• Funds have been allocated for the developmental portion for four provinces. The breakdown per province is as follows:<br>o Eastern Cape: R65 million<br>o Limpopo: R5 million<br>o Mpumalanga: R10 million<br>o North West: R62 million<br>• All developmental provinces must ring-fence the developmental allocation and report on it quarterly<br>• Additional funds have been allocated for the development of oncology infrastructure and project related costs in provinces. This allocation is project based. The breakdown per province is as follows:<br>o Eastern Cape: R54 million<br>o KwaZulu- Natal: R20 million<br>o Limpopo: R66 million<br>o Mpumalanga: R20 million<br>o Northern Cape: R20 million<br>o North West: R50 million<br>• The allocation for the development of oncology infrastructure must be ring-fenced and reported on quarterly<br>• Cost of administration of the grant must not exceed 1 per cent of the total grant allocation<br>• The following amounts in the allocation to Gauteng are earmarked to fund the operations of the Nelson Mandela Children's Hospital: |

| National Tertiary Services Grant | |
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| | ○ R329 million in 2025/26<br>○ R343 million in 2026/27<br>○ R359 million in 2027/28<br>• Total remuneration packages for the staff at the Nelson Mandela Children's Hospital, paid from this grant and any other sources, may not exceed Department of Public Service and Administration approved remuneration rates. Total remuneration packages must be captured and submitted to both the provincial, and the national departments of health<br>• The services offered by the Nelson Mandela Children's Hospital should be integrated into the service delivery platform in collaboration with relevant provinces, particularly Gauteng<br>• The grant does not fund the leasing of capital equipment |
| **Allocation criteria** | • Based on historical allocations and spending patterns, with additional allocations for four developmental provinces |
| **Reasons not incorporated in equitable share** | • There are significant cross-provincial flows of patients needing tertiary services and the grant compensates provinces with greater tertiary capacity for treating patients from other provinces |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Allocated and transferred R14.3 billion to provinces, of which R14.1 billion (98 per cent) was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 701 010 inpatient separations<br>• 631 884 day patient separations<br>• 1.5 million outpatient first attendances<br>• 3.3 million outpatient follow up attendances<br>• 5.7 million inpatient days<br>• 7.6 average lengths of stay by facility (tertiary)<br>• 90 per cent bed utilisation rate (tertiary) |
| **Projected life** | • Support for tertiary services will continue because of the need to sustain and modernise tertiary services |
| **MTEF allocations** | • 2025/26: R16 billion; 2026/27: R16.7 billion; and 2027/28: R17.5 billion |
| **Payment schedule** | • Monthly instalments as per the payment schedule approved by National Treasury except for the Nelson Mandela Children's Hospital where the first payment will be made in April 2025 and the second payment will be made in October 2025 based on evidence of satisfactory performance submitted to the DoH |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Approved business plans to be submitted to the National Treasury by 2 April 2025<br>• Monitor expenditure by economic classification, and patient activity and provide on-site support to facilities/complexes and provinces<br>• Conduct a minimum of two site visits to provinces and a minimum of one site visit to facilities/complexes<br>• Identify the national need for service delivery and facilitate the development of those services through business planning processes |
| | **Responsibilities of provincial departments**<br>• Submission of an approved business plan, in the prescribed format, signed by the provincial head of department by 28 February 2025<br>• Completion of provincial and facility business plans, in the prescribed format, signed by the receiving officer and the benefiting institutions by 25 March 2025 (due date for Nelson Mandela Children's Hospital is 25 March 2025)<br>• Provinces must provide the allocated amounts for each funded facility/cluster to the relevant provincial treasury for gazetting as per the number of agreed-upon business plans per province and facility/cluster by 22 April 2025<br>• Provinces must maintain a separate budget for each benefiting facility<br>• The receiving officer must supply the head of each benefiting facility/complex with a budget letter which includes their conditional grant and equitable share allocation by 29 April 2025<br>• Conduct a minimum of two site visits to each budgeted facility/complex per annum and submit reports of these site visits to the DoH<br>• Submission of updated specialist details funded by the equitable share and the grant at facility level by 28 November 2025<br>• Submission of service specifications funded at each facility (new YES list) by 28 November 2025<br>• Submission of quarterly reports in the approved expenditure areas in the prescribed format<br>• Provide patient utilisation data (inpatient separations, inpatient days, day case separations, outpatient first visits, outpatient follow up visits) average length of stay (tertiary), average length of stay (psychiatric) and bed utilisation rates (tertiary) as per the prescribed format<br>• Provinces intending to develop a new service area need to submit a separate business plan outlining the investment case to DoH for approval<br>• Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted no later than 28 November 2025. This will be the only time that provinces can request amendments to their approved business plan. Revised plans will be approved or rejected by 17 December 2025 |
| **Process for approval of 2026/27 business plans** | • Submission of draft business plans (provincial and facility) by 31 October 2025<br>• Completion of a business plan, in the prescribed format, signed by each receiving officer by 27 February 2026 and by the transferring officer by 25 March 2026 |

# HUMAN SETTLEMENTS GRANTS

| Human Settlements Development Grant | |
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| **Transferring department** | • Human Settlements (Vote 33) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • The creation of sustainable and integrated human settlements that enable improved quality of household life |
| **Grant purpose** | • To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements |
| **Outcome statements** | • The facilitation and provision of adequate housing opportunities and improved quality living environments<br>• A functionally equitable and integrated residential property market<br>• Enhanced institutional capabilities for effective coordination of spatial investment decisions<br>• Tenure security for all recipients of government subsidised houses |
| **Outputs** | • Number of residential units delivered in relevant housing programmes<br>• Number of serviced sites delivered in relevant housing programmes<br>• Number of informal settlements upgraded in situ and/or relocated<br>• Number of title deeds registered to beneficiaries<br>• Hectares of well-located land acquired and rezoned for development of housing opportunities<br>• Number of socio-economic amenities delivered in human settlements<br>• Number of integrated residential development projects registered on housing subsidy system, planned and approved, funded and implemented<br>• Number of township registers opened in respect of pre and post 1994 title deeds backlog<br>• Number of beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 title deeds backlog<br>• Number of township establishments registered and declared<br>• Number of ownership disputes logged and resolved in respect of pre and post 1994 title deeds backlog<br>• Number of implementation programmes for priority housing development areas |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Medium-term development plan targets and budgets<br>• Project planning and implementation, including special housing needs aligned to the project readiness matrix<br>• Annual and quarterly planned targets and budgets per project<br>• Monthly cash flow projections (payment schedule)<br>• Project information (name, housing subsidy system number, description, location (district and local municipality), city/town name, suburb, ward numbers and Geographic Information System (GIS) co-ordinates)<br>• Detailed project plans to be submitted for bulk infrastructure and socio-economic amenities as annexures<br>• Title deeds project list addendum to the business plan in accordance with the compliance and reporting framework<br>• Planned bulk infrastructure projects, budget and spending per province in a prioritised municipality with distressed mining communities<br>• Professional fees and bulk infrastructure projects including details of planning activities to be undertaken<br>• Number of job opportunities to be created<br>• Implementation agreement between national, provincial and local government<br>• Procurement plan confirming the appointment of requisite service providers in accordance with government procurement preferential plan and policies as part of the project readiness matrix (to be attached as an annexure to the business plan)<br>• Projects, targets and budgets in priority housing development areas<br>• Planned annual allocation, projects and outputs to be implemented by accredited municipalities and any other organ of state, including annexures of project plans |
| **Conditions** | • Funds for this grant should be utilised for the priorities set out in the 2024-2029 medium term development plan for human settlements<br>• The transfer of the first tranche of funds is conditional upon the national Department of Human Settlements (DHS) approving provincial business plans consistent with the provisions of the Housing Act 107 of 1997 (Housing Act) and in compliance with the National Housing Code of 2009 (National Housing Code)<br>• The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the housing subsidy system and the basic accounting system at a sub-programme level and project level, and submitting monthly reconciliations within the required time frames<br>• Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the housing subsidy system and basic accounting system on a monthly basis<br>• All projects in the approved business plan must be aligned with the integrated development plan and the spatial development framework of municipalities as well as the one plan and signed off by the municipal accounting officer<br>• Draft and final business plans must be aligned to provincial annual performance plans<br>• Provinces may request, in writing to the transferring officer, approval to amend their approved business plan<br>• When the business plan is adjusted, it must still align with the approved provincial annual performance plans<br>• Provinces are allowed to shift budgets between projects in the business plan provided that: |

| Human Settlements Development Grant | |
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| | ○ no new projects are introduced into the business plan in-year without approval by the transferring officer<br>○ the delivery targets in the approved business plan are not reduced<br>• The payment schedules must be derived and be aligned to the cash flows contained in the approved business plan<br>• Provincial heads of departments must sign-off and confirm that the procurement process are concluded of the projects captured in their business plans prior to the start of the new financial year and that projects captured in their business plans are assessed and approved for implementation in the 2025/26 financial year<br>• Provinces may utilise up to a maximum of 5 per cent of the provincial allocation for the operational capital budget programme to support the implementation of the projects contained in the business plan<br>• Provinces must indicate budget allocations consistent with provincial and related municipal backlogs for adequate housing<br>• Where municipalities have been accredited for the housing function, the provincial business plans must reflect relevant allocations, targets and outputs as agreed and approved with the respective municipalities<br>• Provinces must gazette planned allocation for three years for the accredited municipalities in terms of the 2025 Division of Revenue Act by no later than 27 May 2025. This should also specify the amount of operational funding to be transferred to accredited municipalities. The purpose of the accreditation funding must be clear and aligned with the delegated function<br>• Provinces may utilise a portion not exceeding 5 per cent of their grant allocations for the provision of bulk infrastructure projects for basic services in non-metropolitan municipalities to unlock human settlement projects<br>• The DHS in consultation with the National Treasury must develop a framework to systematically allow provinces to use up to 30 per cent of their allocation for bulk infrastructure. This framework must include the following minimum requirements:<br>○ projects must be contained in the integrated development plan of municipalities<br>○ the applicable land use regulatory approvals including but not limited to township establishment and environmental approvals<br>○ provinces must submit project lists that have been verified against projects that are funded through other conditional grants, including but not limited to the Municipal Infrastructure Grant, the Integrated Urban Development Grant, the Urban Settlements Development Grant, the Water Services Infrastructure Grant and the Regional Bulk Infrastructure Grant<br>○ the long-term financial implications of the bulk infrastructure on municipal budgets<br>○ projects approved by the national transferring officer must be included in the business plans of provinces and be submitted to the national department for approval<br>○ projects will be separately earmarked in a grant framework and presented as part of the Division of Revenue Bill<br>○ province and relevant municipality have signed a memorandum of understanding with regard to the construction, ownership, operations and maintenance of the infrastructure<br>• The provision above is not applicable to distressed mining towns<br>• Human settlements projects must be implemented in the gazetted priority human settlements and housing development areas<br>• Provinces must allocate a reasonable percentage of their grant allocation to the approved national priority projects (previously known as catalytic projects) in line with their project readiness status<br>• At least 2 per cent of the grant may be allocated to programmes and projects for the implementation of innovative building technologies approved by Agrément South Africa with a detailed cost analysis for the housing sector (subject to the consultation of local authorities and beneficiaries)<br>• Provinces should ensure that the allocation for land acquisition and related purposes is included in the business plans accompanied with a detailed motivation, a land assembly programme (with clear details of budget allocation for land acquisition, location of land and other related activities) for the medium-term expenditure framework (MTEF) period and a status report of previously acquired land including status of rezoning<br>• Land acquisition and land assembly should be informed and accompanied by the human settlements comprehensive plan developed by the municipalities<br>• Provinces must agree with municipalities on a plan for the provision of basic services to all households served in new housing developments<br>• Provinces are to set aside funds that should fund title deeds for housing projects completed before 28 March 2014 and submit a detailed report on the delivery and expenditure of the previous transfer and should include:<br>○ agreed deliverables supported by evidence<br>○ actual expenditure against the planned cash flows or the same period<br>○ compliance with the housing subsidy<br>○ cash flows for the remainder of the financial year<br>**Distressed mining towns component**<br>• The following funds are ring-fenced within provincial allocations and are earmarked to support the development of integrated human settlements (prioritising bulk infrastructure provision in terms of the National Housing Code) in identified municipalities with distressed mining communities:<br>○ Gauteng: R70 million<br>○ Mpumalanga: R75 million<br>○ Northern Cape: R10 million<br>○ North West: R52 million |

| Human Settlements Development Grant | |
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| **Allocation criteria** | • The grant is allocated through the Human Settlements Development Grant (HSDG) allocation formula approved by the human settlements MINMEC and Budget Council. The formula is based primarily on the share of inadequate housing in each province but also accounts for population size and the extent of poverty in each province. Further details of the formula are set out in Annexure W1 to the Division of Revenue Bill |
| **Reasons not incorporated in equitable share** | • A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R13.7 billion made available, R13.3 billion (97.1 per cent) was transferred, of which R13.3 billion was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 42 771 housing units completed<br>• 19 979 serviced sites completed |
| **Projected life** | • This is a long-term grant as the government must assist the poor with the provision of human settlements in terms of the Constitution |
| **MTEF allocations** | • 2025/26: R14.1 billion; 2026/27: R14.3 billion; and 2027/28: R15 billion |
| **Payment schedule** | • Monthly instalments as per the payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Finalise and ensure the approval of the applicable subsidy quantum per programme and the allocation formula for the delivery of sustainable and integrated human settlements<br>• Approve the final national and provincial business plans and issue national compliance certificates<br>• Assess and make recommendations on the credibility of provincial business plans and the readiness of projects captured therein<br>• Ensure that provinces align financial and non-financial information in terms of reporting in the basic accounting system, housing subsidy system, provincial business plans and provincial quarterly reports<br>• Monitor provincial financial and non-financial grant performance and control systems related to the grant<br>• Ensure provinces comply with the reporting requirements for the housing subsidy system in terms of frequency and quality of the input<br>• Provide support to provinces and accredited municipalities with regard to human settlements delivery as may be required<br>• Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities<br>• Undertake structured and other visits to provinces and metropolitan municipalities as necessary<br>• Submit an annual evaluation report for 2024/25 on the financial and non-financial performance of the grant to National Treasury by 31 July 2025<br>• Evaluate the audited provincial annual reports for submission to the National Treasury by 12 December 2025<br>• Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter<br>• Provide systems including the housing subsidy system that support the administration of the human settlements delivery process<br>• Comply with the responsibilities of the transferring officer outlined in the 2025 Division of Revenue Act (DoRA)<br>• Ensure provinces only implement programmes that are contained in the approved business plans<br>• Provide a detailed list of all bulk infrastructure projects to the National Treasury that provinces are planning to implement in terms of their business plans<br>• Prioritise the finalisation of the White Paper on the Housing Policy and Strategy for South Africa |
| | **Responsibilities of provincial departments**<br>• Provinces utilising other organs of state to implement projects on their behalf, must conclude implementation protocols<br>• Submit 2024/25 annual evaluation reports to DHS by 30 May 2025<br>• Submit 2024/25 audited annual reports to DHS by 30 September 2025<br>• Prioritise funds in order to build houses for military veterans<br>• Provinces must conclude and sign implementation protocols with accredited municipalities to enable implementation of delegated functions, the transfer of allocated funding as well as monitor the performance of the accredited municipalities<br>• Support accredited municipalities in carrying out delegated functions as per the accreditation framework<br>• Provinces must utilise the housing subsidy system for the administration and related performance reporting of all the human settlement delivery programmes and processes<br>• Projects to be funded and included in the business plan must be registered on the housing subsidy system and the housing subsidy system project number and GIS coordinates must be included in the business plan and the infrastructure reporting model<br>• Provinces must ensure alignment of financial and non-financial reporting in terms of reporting in the basic accounting system, housing subsidy system, approved provincial business plans and provincial quarterly reports<br>• Ensure effective and efficient utilisation of and access to the housing subsidy system by municipalities<br>• Comply with the Housing Act, 2025 DoRA, National Housing Code and all applicable legislation<br>• The monthly expenditure report, as contemplated in the 2025 DoRA and section 40(4)(c) of the Public Finance Management Act, must be submitted by the 15th of every month for the preceding month with work |

| Human Settlements Development Grant | |
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| | in progress inclusive of expenditure, outputs, monthly basic accounting system and housing subsidy system reconciliation as stipulated on the practice note dated 24 April 2015<br>• Monthly and quarterly financial and non-financial reports must be signed-off by both the provincial human settlements and provincial treasuries' heads of departments<br>• Provinces should ensure alignment of the approved business plan with the signed infrastructure plans, gazetted allocations and transfers to accredited municipalities<br>• Provinces should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule<br>• Provinces should ensure that they only implement the programmes in the approved business plans<br>• Provinces are allowed to implement the finance linked individual subsidy programme within the integrated residential reporting programme<br>• Provinces should prioritise the revitalisation of the distressed mining towns programme within their funding<br>• The head of department in the province should confirm in writing to DHS consultation with municipalities on the programme and projects submitted for approval in terms of the HSDG business plan including all bulk infrastructure projects and that a copy of the memorandum of understanding is signed with all municipalities prior to the commencement of any bulk infrastructure project<br>• The head of department in the province to confirm in writing to DHS that all projects to be implemented are aligned to the municipal integrated development plan and spatial development frameworks of municipalities<br>• Ensure that the relevant amounts to be applied and transferred to municipalities are gazetted by no later than 23 May 2025<br>• Provinces to align their business plan with provincial annual performance plans and infrastructure reporting model<br>• Provinces should on monthly basis and after approval of rollover funds, report progress separately on projects as part of the approved rollover<br>• On completion of units for military veterans, provincial departments should forward the claims to the national Department of Military Veterans for the top-up, as agreed in terms of the memorandum of understanding between the national Department of Military Veterans and DHS<br>• In addition to legislated reporting requirements, quarterly provincial reports must include:<br>o the percentage of their allocations awarded to companies owned by designated groups on a quarterly basis<br>o progress relating to blocked projects in line with the targets and expenditure as per the approved business plan<br>o progress on performance on the implementation of asbestos removal<br>o a quarterly report on the number of jobs opportunities to be created<br>• Provinces must submit monthly reports that include the outcome or the effectiveness of the utilisation of the approved operational capital budget programme budget<br>• Provinces must submit quarterly reports that record the performance of operational capital budget programme |
| **Process for approval of 2026/27 business plans** | • Draft consolidated provincial business plans for 2026/27 financial year, project readiness matrix and multi-year housing development plan (aligned with the business plan and project readiness matrix) to be submitted to the national department by 29 August 2025<br>• Submit final consolidated provincial business plans, project readiness matrix, multi-year housing development plan (including cash flow projections and compliance certificates for 2026/27 financial year) to the DHS by 6 February 2026 |

| Informal Settlements Upgrading Partnership Grant: Provinces | |
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| **Transferring department** | • Human Settlements (Vote 33) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • The creation of sustainable and integrated human settlements that enable improved quality of household life |
| **Grant purpose** | • To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements |
| **Outcome statements** | • Adequate housing in improved quality living environment<br>• A functionally equitable and integrated residential property market<br>• Enhanced institutional capabilities for effective coordination of spatial investment decisions<br>• Security of tenure |
| **Outputs** | • The grant shall fund the outputs defined in phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009 (National Housing Code):<br>**Social Facilitation:**<br>• Number of informal settlements where community compacts were conducted (from project initiation to implementation)<br>**Phase 1**<br>• Number of prefeasibility studies conducted<br>• Number of informal settlements re-blocked<br>**Phase 2**<br>• Hectares of land acquired<br>• Number of informal settlements benefitting from rudimentary services/interim municipal engineering services and/or any alternative technology<br>• Number of engineering designs: water, sewer, roads and storm water drainage concluded<br>• Number of layout plans approved<br>**Phase 3**<br>• Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services<br>• Number of informal settlements supplied with bulk infrastructure projects<br>• Number of serviced sites developed<br>• Number of social and economic amenities. The specific types of amenities must only be provided in collaboration with the municipality and the community<br>• Number of title deeds registered<br>• Number of township establishments registered |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant requires provinces to attain both municipal council and Member of Executive Council (MEC) approval on informal settlements to be upgraded in the 2025/26 financial year<br>• A province must submit a business plan prepared in terms of the requirements of the national Department of Human Settlements' (DHS) business planning for informal settlements upgrading<br>• Provinces must submit an informal settlement upgrading plan in line with UISP in the National Housing Code for each settlement to be upgraded which includes:<br>o project description<br>o settlement name and Geographic Information System coordinates<br>o project institutional arrangements<br>o sustainable livelihood implementation plan<br>o outputs and budgets<br>o cash flow projections (payment schedule)<br>o details of the support plan<br>o risk management plan<br>o prioritisation certificate issued by the MEC in consultation with relevant mayors<br>o number of re-blocking projects to be undertaken<br>o priority development areas<br>• Number of job opportunities to be created<br>• Detailed project plans to be submitted for bulk infrastructure projects<br>• Professional fees including details of planning activities to be undertaken |
| **Conditions** | • Funds for this grant should be utilised for the priorities as set out in the 2024-2029 medium term development plan for human settlements<br>• A minimum of 70 per cent of the annual allocation must be used for serviced sites<br>• All projects that are listed in the business plan must be ready for implementation, registered on housing subsidy system<br>• Funds must be utilised as per the UISP as defined in the National Housing Code<br>• The provincial informal settlements upgrading business plans must be aligned to the provincial informal settlement upgrading strategy<br>• All projects in the approved business plans must be aligned with the integrated development plan and the spatial development framework of municipalities<br>• Draft and final business plans must be aligned to provincial annual performance plans<br>• Provincial heads of departments must sign-off and confirm that projects captured in their informal settlements upgrading business plans are ready for implementation in the 2025/26 financial year and will yield expenditure as per cashflows submitted |

| Informal Settlements Upgrading Partnership Grant: Provinces | |
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| | • Provinces must indicate the amounts of their annual allocations for spending on the identified national priority projects<br>• Provinces must prioritise the implementation of projects that are in the gazetted priority human settlements and housing development areas<br>• The transfer of the first tranche of funds is conditional upon the transferring officer of DHS approving business plans and informal settlements upgrading plans per settlement consistent with the provisions of the Housing Act 107 of 1997 and in compliance with the National Housing Code<br>• The transfer of subsequent tranches is conditional on provinces capturing the targets and budget, delivery statistics, and expenditure monthly on the housing subsidy system and the basic accounting system at a sub-programme level and project level, and submitting monthly reconciliations within the required time frames<br>• Provinces must ensure reconciliation and alignment of financial and non-financial outputs between the housing subsidy system and the basic accounting system on a monthly basis<br>• The payment schedule submitted by provinces should be derived from the cash flows contained in the approved upgrading plans<br>• If a province is allocated additional funding or funds have been stopped and reallocated to another province, a revised business plan must be submitted for subsequent reporting<br>• The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved upgrading plans<br>• A maximum of 3 per cent of the of the allocation may be utilised for the operational support capital programme as per the operational support capital programme policy of the DHS<br>• A maximum of 3 per cent of a province's allocation may be used for social facilitation applicable from inception to implementation<br>• A maximum of 5 per cent of the annual allocation should be used for re-blocking<br>• Provinces should spend at least 70 per cent of their allocations on permanent infrastructure<br>• Monthly and quarterly financial and non-financial performance reports must be signed off by both the provincial human settlements and provincial treasuries heads of departments and submitted to the DHS in line with the Division of Revenue Act prescripts<br>• Provinces must report monthly and quarterly on projects funded through this grant using the template prescribed by DHS. Reporting must include financial and non-financial detailed performance report per settlement (project level performance) report for phase 1-3 aligned to the business plan<br>• Provinces may adjust their business plans during the mid-term budget adjustment period. Provinces are allowed to shift budgets between projects in the business plan provided that: no new projects to be introduced into the business plan in year without the approval of the transferring officer<br>• The delivery targets in the approved business plan should not be adjusted downwards |
| **Allocation criteria** | • The grant is allocated to all provinces. These funds are also allocated in line with the Human Settlements Development Grant (HSDG) allocation formula approved by human settlements MINMEC and National Treasury |
| **Reasons not incorporated in equitable share** | • A conditional grant enables the national department to provide effective oversight and ensure compliance with the National Housing Code |
| **Past performance** | **2023/24 audited financial outcomes**<br>• R3.8 billion was allocated and transferred to provinces and R3.6 billion was spent (94.3 per cent) |
| | **2023/24 service delivery performance**<br>• Service delivery performance is indicated in the performance evaluation reports for 2023/24 |
| **Projected life** | • This grant will continue until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R2.8 billion; 2026/27: R930 million; and 2027/28: R972 million |
| **Payment schedule** | • Monthly instalments as per the payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Receive, assess and make determinations on the credibility of provincial informal settlements upgrading plans and the implementation readiness of projects captured therein<br>• Maintain the policy and programme, and assist with interpretation<br>• Develop a reporting template for provinces on the informal settlements upgrading partnership grant (ISUPG) grant outputs and publish it by 2 April 2025<br>• Monitor and evaluate provincial financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the ISUPG<br>• Provide implementation assistance support to provinces as may be required<br>• Undertake structured and other visits to projects as is necessary<br>• Facilitate regular interaction between DHS and provinces<br>• Submit a report on the status of informal settlements and their categorisation in terms of the national upgrading support programme's methodology, to the National Treasury by 1 August 2025<br>• Use the grant to leverage other forms of funding<br>• Provide support to provinces and accredited municipalities with regard to human settlement delivery as may be required<br>• Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities<br>• The accounting officer must monitor the performance of the operational support capital programme to ensure adherence to the operational support capital programme prescripts |

| Informal Settlements Upgrading Partnership Grant: Provinces | |
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| | **Responsibilities of provincial departments**<br>• Should ensure collaboration and involvement of communities and civil organisations in the signing of implementation protocols for projects to be implemented<br>• Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department<br>• Request assistance from the relevant national department on any of the matters concerned if the province lacks the capacity, resources or expertise<br>• Must align their business plan with provincial annual performance plans and infrastructure reporting model in terms of section 13(1)(a) of this Act<br>• Implement approved projects in accordance with UISP in the National Housing Code<br>• Work with municipalities to fast track the planning approval processes for informal settlements upgrading projects<br>• Agree with municipalities on how settlement areas developed under this programme will be managed, operated and maintained<br>• Coordinate with municipalities and facilitate the provision of bulk and connector engineering services<br>• Should ensure alignment of approved business plan with the signed infrastructure plans, gazetted allocations and transfers to accredited municipalities<br>• Should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule<br>• Must ensure only implementation of programmes in the approved business plans<br>• Monthly and quarterly financial and non-financial reports must be signed-off by both the provincial human settlements and provincial treasuries' heads of departments<br>• Must adhere to section 16 of the Division of Revenue Act if they are planning to appoint any other organ of state to implement human settlements projects on their behalf<br>• Must report on a monthly basis the amount transferred and the expenditure including the non-financials thereof to any organ of state in line with section 12 of the Division of Revenue Act<br>• Must report on the percentage of their allocations awarded to companies owned by designated groups on a monthly and quarterly basis<br>• Must use the ISUPG to leverage other forms of funding<br>• Provinces must sign implementation protocols with accredited municipalities to enable gazetting transfer of funds as well as to monitor the performance of the municipality<br>• Report on the number of jobs created on a quarterly basis<br>• Provinces must submit monthly reports that include the outcome/effectiveness of the utilisation of the approved operational support capital programme budget<br>• Provinces must submit quarterly reports that record the performance of operational support capital programme |
| **Process for approval of 2026/27 business plans** | • First draft of the signed business plan must be submitted to the DHS by 29 August 2025. The DHS will provide comments by 30 September 2025<br>• Final consolidated signed Provincial business plans, project readiness matrix, multi-year housing development plan (including cash flow projections and compliance certificates for 2025/26 financial year) to the DHS by 7 February 2026 |

## PUBLIC WORKS AND INFRASTRUCTURE GRANTS

| Expanded Public Works Programme Integrated Grant for Provinces | |
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| **Transferring department** | • Public Works and Infrastructure (Vote 13) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be optimised |
| **Grant purpose** | • 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 EPWP guidelines:<br>o road maintenance including but not limited to block paving and pothole patching<br>o maintenance of buildings<br>o low traffic volume roads and rural roads<br>o other economic and social infrastructure<br>o tourism and cultural industries<br>o sustainable land based livelihoods<br>o waste management and cleaning services<br>o social services programmes<br>o energy including but not limited to retro-fitting, solar |
| **Outcome statements** | • Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities<br>• Reduced level of poverty<br>• Contribute towards increased levels of employment<br>• Improved opportunities for sustainable work through experience, learning gained and skills development<br>• Strengthened capacity of non-government delivery partners through increased access to funds for wages and administration |
| **Outputs** | • Number of people employed, trained and receiving income through the EPWP<br>• Number of days worked per work opportunity created<br>• Number of Full-Time Equivalents (FTEs) to be created through the grant<br>• Number of beneficiaries provided with social services |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation |
| **Details contained in the business plan** | • The programme is implemented through provinces using grant agreements that contain project lists and targets for eligible provincial departments on the creation of FTEs and work opportunities |
| **Conditions** | • The incentive grant allocation must be used to strengthen and expand work opportunity creation programmes in the infrastructure, environment, culture and social sector<br>• EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the Department of Public Works and Infrastructure (DPWI), the ministerial determination for EPWP workers, the EPWP recruitment guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes<br>• Provincial departments must register all projects on the DPWI's EPWP reporting system<br>• Project data reports must be loaded and updated on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed<br>• The grant cannot be used for departmental personnel costs, however, a maximum of 5 per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods<br>• The grant can only be utilised for EPWP purposes and for the projects approved in each eligible provincial department's EPWP project list<br>• To receive the first tranche disbursement, eligible provincial departments must, by 11 April 2025, submit a:<br>o signed-off EPWP project list<br>o signed grant agreement with DPWI<br>• Subsequent grant disbursements are conditional upon eligible provincial departments:<br>o reporting on EPWP performance within the required time frames<br>o complying with reporting on EPWP Integrated Grant funded projects<br>o implementing their approved EPWP projects on the project list, as planned towards the agreed work opportunity targets<br>o submitting, on a quarterly basis, non-financial reports by the timelines stipulated in the clauses of the 2025 Division of Revenue Act (DoRA)<br>o reporting on EPWP Integrated Grant expenditure monthly, within the required time frames<br>• Provincial departments must ensure that EPWP branding is included as part of the project cost in line with the corporate identity manual<br>• Provincial departments must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual and the ministerial determination for EPWP and make these available to DPWI for data quality assessment tests<br>• A minimum of 2 and maximum of 5 per cent of the grant allocation must be used for training of participants |

| Expanded Public Works Programme Integrated Grant for Provinces | |
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| **Allocation criteria** | • The allocation criteria is based on the following:<br>o the EPWP grant allocations are based on FTEs reported in the past 18 months<br>o to be eligible for an EPWP grant allocation in 2025/26, a provincial department must have reported at least 50 FTEs in either the infrastructure, environment and culture or social sector in the 2023/24 financial year. Additionally, the calculated allocation must be R1 million or more, meaning departments that fail to reach R1 million are not eligible<br>o penalties are applied to provincial departments that are non-compliant with the DoRA<br>o past performance with regard to FTEs reported in the past 18 months and labour intensity in the creation of EPWP work opportunities<br>o poverty headcount as a percentage from Community Survey 2016 |
| **Reasons not incorporated in equitable share** | • This grant is intended to fund expansion in specific focus areas as well as incentivise increased EPWP performance<br>• The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the total grant allocation of R404 million for the EPWP Integrated Grant for Provinces, 100 per cent was transferred to provinces. R387 million (96 per cent) of the transferred funds was spent by the end of the financial year<br>• Of the total grant allocation of R396 million for the Social Sector EPWP Incentive Grant for Provinces, 100 per cent was transferred to provinces. R390 million (98 per cent) of the transferred funds was spent by the end of the financial year |
| | **2023/24 service delivery performance for the EPWP Integrated Grant for Provinces**<br>• 39 391 Work opportunities reported<br>• 23 027 FTEs were created<br>• Average duration of the work opportunities created is 134 days<br>**2023/24 service delivery performance for the Social Sector EPWP for Provinces**<br>• 19 351 Work opportunities reported<br>• 14 498 FTEs were created<br>• Average duration of the work opportunities created is 172 days |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R627 million; 2026/27: R656 million; and 2027/28: R686 million |
| **Payment schedule** | • Transfers are made in accordance with a payment Schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Determine eligibility and set grant allocations and FTE targets for eligible provincial departments<br>• Publish on the EPWP website all documents relevant for provincial departments to understand and implement the grant, such as a grant manual, EPWP recruitment guidelines, the ministerial determination for EPWP workers, the EPWP infrastructure guidelines and the National Minimum Wage Act 9 of 2018 including applicable gazettes<br>• Support provincial departments, in the manner agreed to in the grant agreement, to:<br>o identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria<br>o apply the EPWP project selection criteria and EPWP guidelines to the project design<br>o report using the EPWP reporting system<br>• Monitor the performance and spending of provincial departments and assess progress towards their implementation of EPWP project lists<br>• Disburse the grant to eligible provincial departments that comply with the DoRA requirements<br>• Report to the National Treasury progress against FTE targets and spending against the grant allocation on a quarterly basis<br>• Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement<br>• Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions<br>• Support the sector to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system<br>• Conduct site visits to verify the existence of projects and identify where support is needed |
| | **Responsibilities of provincial departments**<br>• Develop an EPWP project list and sign the grant agreement with DPWI by 11 April 2025, agreeing to comply with the conditions of the grant before receiving any grant disbursement<br>• Agree on the areas requiring technical support from DPWI upon signing the grant agreement<br>• Register and report all EPWP projects on the EPWP reporting system and update progress monthly in accordance with the reporting requirements and timelines stipulated in the grant agreement |
| **Process for approval of 2026/27 business plans** | • Provincial departments must report on performance of EPWP projects for the 2024/25 financial year by 29 April 2025 or report on 2025/26 performance by 16 October 2025 to be eligible for a grant allocation<br>• Eligible provincial departments must sign the grant agreement with an approved 2026/27 EPWP project list by 10 April 2026 |

## SPORT, ARTS AND CULTURE GRANTS

| Community Library Services Grant | |
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| **Transferring department** | • Sport, Arts and Culture (Vote 37) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • To enable the South African society to gain access to knowledge and updated information that will improve its socio-economic status |
| **Grant purpose** | • 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 |
| **Outcome statements** | • Improved coordination and collaboration between national, provincial and local government on library services<br>• Equitable access to library and information services delivered to all rural and urban communities<br>• Improved library infrastructure and services that meet the specific needs of the communities they serve<br>• Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs<br>• Improved culture of reading and literacy development |
| **Outputs** | • 270 000 library materials (books, periodicals, toys etc.) purchased<br>• Library information and communication technology infrastructure and systems software installed and maintained in all provinces<br>• New services established for the visually impaired at five identified community libraries in all provinces<br>• Number of new library structures completed<br>• 22 new library structures funded for construction and completion over the next two financial years<br>• Five upgraded library structures completed<br>• 40 maintained library structures completed<br>• 2 700 existing contract library staff maintained in all provinces<br>• Number of new staff appointed for dual-purpose libraries<br>• 35 new staff appointed at public libraries to support the shifting of the function to provinces<br>• Capacity building programmes for public librarians |
| **Priority of government that this grant primarily contributes to** | • Priority 6: Social cohesion and safer communities |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | • The provincial business plans must be developed in accordance with identified priority areas<br>• Provincial departments may only request (in writing, to the transferring officer) to amend the business plan before 31 October 2025<br>• Provinces may not exceed the 20 per cent threshold provided for variation orders on infrastructure projects without the approval of the transferring officer<br>• To qualify for allocations in 2026/27 provinces must submit progress reports that detail a phased approach towards the full funding of the function, either by assignment to municipalities, or preparation of provinces to take over the function, or a combination of both. This process must be completed by the end of the 2024 medium term expenditure framework (MTEF) provided funding is available<br>• Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries<br>• Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant at the provincial department and the details of how these funds will be used must be included in their respective business plans<br>• Provinces must include in their business plans, the scope of work for upgrades, including the budget to be committed to the upgrading of existing libraries<br>• Provinces must include in their business plans the scope of work and budget for maintenance of existing libraries and those being built<br>• Funds earmarked to support Schedule 5 function shift and to establish dual purpose service points may only be used for that purpose. Provinces may use up to 80 per cent of their earmarked allocations in 2025/26 to address the Schedule 5 function shift imperative. At least 20 per cent of the earmarked allocations must be used to establish and sustain dual purpose service points in collaboration with provincial departments of basic education. The detail of how these funds will be used by provinces must be included in their respective business plans. The total earmarked allocations per province are as follows:<br>o Eastern Cape: R76 million<br>o Free State: R47 million<br>o Gauteng: R139 million<br>o KwaZulu-Natal: R103 million |

| Community Library Services Grant | |
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| | ○ Limpopo: R33 million<br>○ Mpumalanga: R81 million<br>○ Northern Cape: R76 million<br>○ North West: R52 million<br>○ Western Cape: R99 million<br>• Service level agreements (SLAs) determining reporting protocols must be signed with receiving municipalities within three months after the start of the municipal financial year<br>• The SLAs must include financial commitments over the MTEF in addition to the payment schedules to municipalities and reporting protocols which outline measurable performance targets for each municipality<br>• The allocations from this conditional grant funding must only be used for items that are provided for in the conditional grant framework and in line with the approved business plan |
| **Allocation criteria** | • Allocations are based on an evaluation report for 2023/24 conducted by the national Department of Sport, Arts and Culture (DSAC) which identified community library needs and priorities for 2025 |
| **Reasons not incorporated in equitable share** | • This funding is intended to address backlogs and disparities in the provision and maintenance of community library services across provinces, and enable the DSAC to provide strategic guidance and alignment with national priorities |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R1.5 billion allocated, transferred, R1.5 billion was transferred to provinces of which R1.5 billion (100 per cent) was spent by the end of the national financial year |
| | **2023/24 service delivery performance**<br>• Seven new libraries built<br>• Nineteen libraries upgraded/maintained<br>• 2 732 staff maintained<br>• 184 527 library materials procured |
| **Projected life** | • This grant will be phased into the Provincial Equitable Share, staring with the Compensation of Employees component at the end of the 2025/26 financial year. The outstanding provinces must complete the function shift and the necessary processes to ensure full funding of the service |
| **MTEF allocations** | • 2025/26: R1.6 billion; 2026/27: R1.7 billion; and 2027/28: R1.8 billion |
| **Payment schedule** | • Four instalments: 11 April 2025; 11 July2025; 10 October 2025; and 16 January 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Ensure that capital transfers to provinces are recorded in the national infrastructure reporting model along with actual and revised transfers<br>• Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services<br>• Participate in at least one intergovernmental forum meeting per province between provinces and municipalities per year<br>• Identify challenges and risks and prepare mitigation strategies<br>• Monitor and evaluate implementation<br>• Evaluate the annual performance of the grant for the previous financial year, for submission to National Treasury within four months after the end of the financial year<br>• Submit monthly financial and quarterly performance reports to the National Treasury<br>• Determine outputs and targets for 2025/26 with provincial departments |
| | **Responsibilities of provincial departments**<br>• Provinces must establish intergovernmental forums with municipalities within their province that are funded through this grant, that meet quarterly to discuss issues related to the provision of community library services<br>• Provincial departments must establish capacity to monitor and evaluate SLAs with municipalities<br>• Provinces must maintain the number of staff appointed using this conditional grant<br>• Submit evaluation reports to DSAC within two months after the end of the financial year<br>• Submit signed monthly financial reports to DSAC within 15 days after the end of every month<br>• Submit quarterly performance reports to DSAC within 30 days after the end of the quarter<br>• Provinces must complete the conversion of contract staff to permanent staff by end of March 2025 subject to applicable public service regulations<br>• Submit an approved and signed-off infrastructure project list (Table B5) aligned to the business plan for the 2025 MTEF on the infrastructure reporting model<br>• Submit monthly financial and non-financial reports on infrastructure programmes in the infrastructure reporting model within 15 days after the end of each month to the relevant provincial treasury and DSAC<br>• Submit monthly signed-off financial and non-financial reports on infrastructure programmes in the infrastructure reporting model within 22 days after the end of each month to the relevant provincial treasury, DSAC and National Treasury<br>• Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes in the 2025 Division of Revenue Act |
| **Process for approval of 2026/27 business plans** | • Provinces must submit function shift progress report to DSAC by 28 March 2026<br>• Progress reports must detail at least the following: |

| Community Library Services Grant | |
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| | ○ criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province<br>○ a policy framework for funding municipalities that administer the service with details of this funding for a three-year time period<br>• Provinces to submit first draft business plans to DSAC by 5 September 2025. Business plans must be aligned to their strategies for full funding of the function<br>• DSAC to evaluate provincial business plans and provide feedback to provinces by 30 September 2025<br>• Provinces to submit second draft business plans to DSAC by 28 November 2025<br>• Provinces to submit final provincial business plans to DSAC by 30 January 2026<br>• DSAC approves business plans and submits them to National Treasury by 31 March 2026 |

| Mass Participation and Sport Development Grant | |
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| **Transferring department** | • Sport, Arts and Culture (Vote 37) |
| **Grant schedule** | • Schedule 5, Part A |
| **Strategic goal** | • Increasing citizens' access to sport and recreation activities |
| **Grant purpose** | • To facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders |
| **Outcome statements** | • Increased and sustained participation in sport and active recreation<br>• Improved sector capacity to deliver sport and active recreation |
| **Outputs** | • **School sport**<br>o Learners competing in the national school sport championships<br>o Number of school sport programmes supported at a district and local level.<br>o Number of school sport programmes at a provincial level<br>o Schools supported with equipment and/or attire<br>o People trained<br>o People employed to deliver school sport programme<br>o Sport ambassador's programme supported<br>• **Community sport and active recreation**<br>**Active recreation**<br>o sport and recreation programmes in communities supported<br>o provincial indigenous festival implemented<br>o hubs supported with equipment and/or attire<br>o remuneration of active recreation coordinators<br>o training in active recreation<br>• **Club development**<br>o local leagues supported<br>o local community clubs supported<br>o local clubs supported to participate in district competitions<br>o local clubs supported to participate in provincial competitions<br>o people trained in club development<br>o club coordinators remunerated<br>o local clubs supported with equipment and/ or attire<br>o Professional women boxing bout supported through the sport confederation<br>• **Sport academies**<br>o athletes' development programmes supported by the sport academies<br>o sport academies supported (equipment and personnel)<br>o people trained to support sport academy programmes<br>• **Transversal matters**<br>o sport and active recreation projects implemented by the provincial sports confederation<br>o provincial programmes contributing to "I choose 2B Active" implemented<br>• **Management**<br>o staff appointed on a long-term contract<br>o administration standards met |
| **Priority of government that this grant primarily contributes to** | • Priority 6: Social cohesion and safe communities |
| **Details contained in the business plan** | • Grant purpose<br>• Outcome indicators<br>• Grant outputs<br>• Output indicators<br>• Key activities |
| **Conditions** | **Provincial compliance**<br>• Provinces must ensure that:<br>o all structures at all levels are aligned to the 16 Department of Sport, Arts and Culture (DSAC) priority codes to contribute to seamless service delivery (football, netball, rugby, cricket, athletics, basketball, volleyball, goalball, swimming, gymnastics, hockey, softball, chess, table tennis, tennis, amateur boxing)<br>o 50 per cent of hubs and clubs supported must be from rural and farm areas<br>o list of schools, hubs, clubs, short-term, long-term contracts and Service Level Agreements must be provided with the business plan and the support required<br>o performance evidence in prescribed format must be timeously submitted, irrespective of the status of the project, as per the technical indicator descriptors<br>o funds from this grant are not used on projects falling outside the scope of the grant unless, following a written request, approval to such effect is granted by the transferring officer<br>o to submit expenditure, report every end of each quarter detailing spending in all the programmes per indicator<br>o the Sport Trust shall be the implementing agency for the National School Championships. Provinces will sign a Service Level Agreement (SLA) with the Sports Trust for related transversal expenses<br>• The provincial allocation must be utilised as follows:<br>o school sport: 40 per cent<br>o community sport and active recreation: 39 per cent |

| Mass Participation and Sport Development Grant | |
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| | ○ sport academies: 9 per cent<br>○ transversal matters: 4 per cent<br>○ management: 8 per cent<br>• Provinces, based on their provincial dynamics, may apply to the transferring officer to change the above sub-allocations<br>**School sport: 40 per cent**<br>• Provinces must ring-fence R8 million, out of which the R3 million will be deducted per province for the hosting of the National School Sport Championships. The R5 million allocation remaining per province will be used by provinces to provide transport, attire and delivery of provincial teams to the various segments of the national school sport championships. The R3 million allocation will be reallocated to the host provinces for the three segments of the School Sport Championships, i.e. Autumn, Winter and Summer, to enable them to prepare and help deliver the School Sport Championships. These funds to host provinces will include the cost of accommodation, meals and other costs associated with staging of the championships<br>• The remaining school sport allocation must be allocated as follows:<br>○ 30 per cent to deliver school sport programmes supported at a district and local level<br>○ 10 per cent to number of school sport programmes at a provincial level<br>○ 30 per cent to purchase equipment and or attire for schools identified through participation in leagues<br>○ 10 per cent for training of people to deliver school sport<br>○ 15 per cent to remunerate coordinators who coordinate, support, monitor and evaluate school sport at district and local levels<br>○ 5 per cent for the sport ambassadors' programmes supported<br>**Community sport: 39 per cent**<br>• **Active recreation: 19 per cent**<br>○ 40 per cent for sport and recreation programs in communities supported<br>○ 15 per cent for provincial indigenous games festival implemented<br>○ 15 per cent to purchase equipment and/ or attire<br>○ 15 per cent for remuneration of active recreation coordinators<br>○ 15 per cent for training in active recreation<br>• **Club development: 20 per cent -** the portion of the grant ring-fenced for club development must be allocated as follows:<br>• The SLA between provincial departments and provincial federations (implementers) must be entered to deliver and support leagues<br>• Support must be used for resourcing local leagues<br>○ 15 per cent to support local leagues<br>○ 50 per cent to support community clubs participating in local leagues<br>○ 5 per cent to support local clubs participation in district competition<br>○ 5 per cent to support participation in provincial competition<br>○ 10 per cent for accredited training<br>○ 10 per cent to purchase sport equipment and/ or attire for local clubs participating in local leagues<br>○ 5 per cent for remuneration of club development coordinators<br>○ Professional Women boxing bout supported through the Sport Confederation- ring fenced (R300 000)<br>• **Sports academies: 9 per cent** - the allocation must be used for the support and resourcing of district and provincial academies in line with sport academies framework and guidelines of DSAC<br>• The SLA between the departments and provincial academies must be entered into to deliver the academy programmes and annual performance plans for the departments<br>○ 40 per cent for resourcing of district and provincial academies (equipment and remuneration of personnel)<br>○ 45 per cent for athlete development programmes supported as guided by sport academy framework<br>○ 15 per cent training to support sport academy programmes<br>**Transversal matters: 4**<br>• Provincial sport confederation: 3 per cent - provinces may transfer funds to the provincial sport confederation provided:<br>○ a transfer plan has been developed and submitted together with a signed business plan approved by DSAC<br>○ an SLA has been entered into between the provincial department and the provincial sport confederation stating clearly what is expected of the provincial sport confederation<br>○ a monitoring mechanism is in place to monitor expenditure and performance by the sport confederation as per the SLA<br>• **Provincial programmes: 1 per cent**<br>○ These are specific provincial programmes that contribute to the "I Choose 2B Active" Campaign and Recognition programme<br>**Management: 8 per cent**<br>• **Appointing staff: 7 per cent**<br>○ Provinces are expected to utilise this portion of the allocation for the appointment of staff<br>○ Staff must be appointed on a three-year contract to implement conditional grant programmes. The allocation is not for support staff in programmes such as finance, planning, monitoring and evaluation or research<br>**Administration: 1 per cent**<br>• Provinces are expected to use this portion of the allocation to ensure that all their submissions are packaged properly (including business plans project implementation plan monthly, quarterly and annual reports) and |

| Mass Participation and Sport Development Grant | |
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| | for logistical arrangements relating to the administration of the grant |
| **Allocation criteria** | • Each province is allocated a baseline of R20 million, thereafter the equitable share formula proportions are applied to determine the remaining amount<br>• The Northern Cape's allocation is increased to ensure an increase in participation due to the vastness of the province. R2 million and R3 million has been deducted from Gauteng and KwaZulu-Natal respectively to fund this |
| **Reasons not incorporated in equitable share** | • The conditional grant is assisting the sport sector in implementing the National Sport and Recreation Plan objectives |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R568 million available and transferred to provinces, R559 million (98.4 per cent) was spent |
| | **2023/24 service delivery performance**<br>• 458 396 people actively participating in organised sport and active recreation events<br>• 171 026 learners participating in school sport tournaments at district level<br>• 4 421 schools, hubs and clubs provided with equipment and/ or attire<br>• 5 260 athletes supported by the sport academy<br>• 50 sport academies supported |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R627 million; 2026/27: R656 million; and 2027/28: R686 million |
| **Payment schedule** | • Four instalments: 31 May 2025; 30 August 2025; 29 November 2025 and 31 January 2026 |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Evaluate annual reports for the 2024/25 grants for submission to the National Treasury by 31 July 2025<br>• Agree on outputs and targets with provincial departments in line with grant objective for 2025/26 by 29 November 2024<br>• Provide the guidelines and criteria for the development and approval of business plans<br>• Monitor implementation and provide support<br>• Submit approved business plan for 2025/26 to the National Treasury by 30 April 2025<br>• Submit quarterly performance reports to National Treasury 45 days after the end of each quarter<br>• Ensure that all the conditional grant practice notes issued by National Treasury are adhered to<br>• Desktop monitoring: analysis of monthly and quarterly reports received by provinces<br>• Physical verification visits to the provinces to verify what has been reported in the monthly and quarterly reports<br>• Hold quarterly review sessions with all conditional grant role players from the provinces<br>• May implement internal mechanisms to manage the quarterly disbursements of the grant where there is non-compliance with the conditions of the grant. This may include withholding and reallocation of tranche payments |
| | **Responsibilities of provincial departments**<br>• Heads of Department must submit approved Business Plans to DSAC by the 31 March 2025<br>• Submit the 2024/25 annual evaluation report to DSAC by 30 May 2025<br>• Submit monthly reports as per the requirements contained in the 2025 Division of Revenue Act<br>• Monitor progress of programmes delivered through the conditional grant<br>• Ensure that conditional grant managers attend all national conditional grant meetings<br>• Ensure that capacity exists to manage the grant and that there is a grant manager responsible for the grant framework, planning, implementation and reporting<br>• Ensure organisational capacity to deliver on the programmes that are implemented through the grant |
| **Process for approval of 2026/27 business plans** | • Provinces submit draft business plan to DSAC by 9 December 2025<br>• Provinces submit revised draft business plans to DSAC by 10 February 2026<br>• Head of Department approves business plan by 31 March 2026<br>• DSAC submits business plans to National Treasury by 30 April 2026 |

# TRANSPORT GRANTS

| Provincial Roads Maintenance Grant | |
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| **Transferring department** | • Transport (Vote 40) |
| **Grant schedule** | • Schedule 4, Part A |
| **Strategic goal** | • To ensure efficient and effective investment in provincial roads to implement the Road Infrastructure Strategic Framework for South Africa in line with the S'hamba Sonke Road programme and other related road programmes |
| **Grant purpose** | • To supplement provincial investments for road infrastructure maintenance (routine, periodic and special maintenance)<br>• To ensure that all roads are classified as per the Road Infrastructure Strategic Framework for South Africa and the technical recommendations for highways, and the road classification and access management guidelines<br>• To implement and maintain road asset management systems<br>• To supplement provincial projects for the repair of roads and bridges damaged by unforeseen incidents including natural disasters<br>• To improve road safety with a special focus on pedestrian safety in rural areas |
| **Outcome statements** | • Improve the condition and lifespan of provincial roads and level of service backed by a periodic five-year review of the road network conditions<br>• Improved rates of employment and community participation through labour-intensive construction methodologies and skills development through the delivery of roads infrastructure projects |
| **Outputs** | • Network condition assessment and determination of priority projects list from the road asset management systems<br>• The following actual delivery related measures against 2025/26 targets defined in the final road asset management plan and annual performance plan for each province:<br>o number of m² of surfaced roads rehabilitated (quarterly)<br>o number of m² of surfaced roads resurfaced (overlay or reseal)<br>o number of m² of blacktop patching (including pothole repairs)<br>o number of kilometres of gravel roads re-gravelled<br>o number of kilometres of gravel roads bladed<br>o number of kilometres of gravel roads upgraded<br>o number of kilometres of visual assessment<br>• The following performance, based on national job creation indicators:<br>o number of jobs created<br>o number of full-time equivalents created<br>o number of youths employed (age 18 – 35)<br>o number of women employed<br>o number of people living with disabilities employed<br>• Number of small, medium micro enterprises contracted on the provinces' contractor development programme<br>• Updated road condition data (paved and unpaved) including instrumental/automated road survey data, traffic data, safety audit or assessment report and bridge conditions<br>• Number of modular steel bridges completed under Welisizwe Rural Bridges Programme<br>• Refurbishment actions/make safe actions of bridges as per bridge condition assessments<br>• Number of m² of surfaced roads rehabilitated and gravel roads surfaced using refurbishment funds |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation |
| **Details contained in the business plan** | • This grant uses a road asset management plan which contains the following details:<br>o network hierarchy<br>o performance management framework<br>o gap analysis based on TMH22 maturity levels<br>o information and systems deployed at a province<br>o prioritised project list and lifecycle planning<br>o table B5 projects and a comparison to the prioritised project list<br>o financial plan<br>o monitoring, reviewing and continual improvements |
| **Conditions** | • This grant funds routine, periodic and special maintenance road infrastructure projects<br>• This grant may fund visual condition inspections, and not more than R6500/km and R2500/km may be used for paved and gravel roads respectively<br>• Provinces may use a maximum of 25 per cent of the allocation for rehabilitation activities, which includes the surfacing or block paving of gravel roads<br>• Any other improvements to roads and new facilities must be funded from the provincial equitable share<br>• The framework must be read in conjunction with the practice note issued by the national Department of Transport (DoT) as agreed with National Treasury<br>• Provinces must show commitment by budgeting from the provincial equitable share to match or exceed grant allocations<br>• The payment of the first instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following:<br>o final road asset management plan for the 2025 medium term expenditure framework (MTEF) by 31 January 2025 |

| Provincial Roads Maintenance Grant | |
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| | ○ final tabled project list in table B5 format for the 2025 MTEF by 31 January 2025, with the various projects captured and readily identifiable on the infrastructure reporting model in terms of disaster funding, rehabilitation and refurbishment and the Welisizwe Rural Bridges Programme<br>○ submission to DoT of all the monthly and quarterly performance reports that have become due for the 2024/25 financial year, in terms of the 2025 Division of Revenue Act and the requirements of this framework, prior to date of release of payment<br>○ planning for the infrastructure reporting model for the 2025 MTEF by 22 April 2025<br>• The payment of the second instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following:<br>○ first quarter monthly infrastructure reporting model expenditure reports<br>○ the signed-off fourth quarter performance report for the 2024/25 financial year in terms of the 2024 Division of Revenue Act<br>○ the signed-off annual grant performance evaluation report by 30 May 2025<br>○ the signed-off first draft 2026 MTEF road asset management plan with georeferencing of these projects as required by the Division of Revenue Act and the requirements of this framework by 27 June 2025<br>• The payment of the third instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following:<br>○ submission of signed-off first quarter Provincial Roads Maintenance Grant (PRMG) performance report for the 2025/26 financial year by 31 July 2025<br>○ monthly infrastructure reporting model expenditure reports for quarter two<br>○ submission of the road condition and traffic data as per requirements of the PRMG practice note by 30 September 2025<br>○ submission of the signed-off infrastructure programme management plan for the 2026 MTEF including the 2026 MTEF project list by 29 August 2025<br>○ submission of signed-off road asset management systems data submission in the correct THM18 format by 30 September 2025<br>○ the submission of signed-off first quarter report for Welisizwe Rural Bridges Programme by 31 July 2025<br>• The payment of the fourth instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following:<br>○ signed-off infrastructure programme implementation plan for the 2026 MTEF including 2026 project list by 28 November 2025<br>○ the submission of the signed-off second quarter performance report for the 2025/26 financial year by 31 October 2025<br>○ the submission of signed-off second quarter report for Welisizwe Rural Bridges Programme by 31 October 2025<br>○ signed-off monthly infrastructure reporting model expenditure reports for quarter three<br>• Provinces must submit to the DoT, updated road condition data, (for paved and unpaved) including instrumental/automated road survey data, traffic data, safety audit report and bridge conditions by 30 September 2025<br>• Provinces must ensure that the Table B5 project list is compliant to the PRMG conditional grant framework, and all projects are registered on the infrastructure reporting model<br>• The PRMG allocation can be allocated to the following projects as identified and prioritised through the provincial road asset management systems:<br>○ routine maintenance (operating expenditure): includes day-to-day routine activities such as cleaning drains and culverts, vegetation control, line marking, guard rail repair, road sign repair, crack sealing, patching, edge repair, spot re-graveling, and blading<br>○ periodic maintenance (operating expenditure): includes periodically scheduled activities such as fog sprays/diluted emulsions/rejuvenators, surface seals and functional asphalt overlays <50 mm in thickness. For gravel roads it includes re-gravelling up to 100 mm thick<br>○ special maintenance (operating expenditure): includes the repair of selected pavement areas up to a maximum of 25 per cent of project length followed by application of surface seal or functional asphalt overlay <50 mm. Also includes reinstatement of slope stability, repairs to existing structures and the repair of damage caused by floods or accidents<br>○ rehabilitation (capital expenditure): includes increasing the structural capacity of an existing pavement through the recycling of existing layers and/or addition of new granular layers or structural asphalt overlays >80mm thick and upgrading or block paving of gravel roads with more than 300 vehicles per day. These rehabilitation activities are however limited to a maximum of 25 per cent of the PRMG allocation<br>• The PRMG maintenance component allocation cannot be allocated to the following projects:<br>○ any costs associated with feasibility studies, tendering and programme management support<br>○ the hire, purchasing, repairs, maintenance and operational costs of construction plant and equipment<br>○ geometric improvements on paved or unpaved roads, which may include widening of the riding surface or addition of paved shoulder, addition of lanes or passing lanes, improving sight distances (curve slackening, blind rises), and localised geometric and intersection improvements<br>○ the upgrading of gravel roads to surface roads<br>○ the construction of new roads and new interchanges<br>○ improvement network capacity e.g. upgrading of earth (dirt) road to engineered gravel road or gravel to surfaced<br>○ upgrading of single carriageway road to four-lane or dual carriageway road<br>○ the construction of new gravel or surfaced road where previously no road existed (brown/green fields construction) |

| Provincial Roads Maintenance Grant | |
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| | ○ the construction of new bridge to replace existing bridge or new interchange to replace intersection<br>• The following allocations are specifically and exclusively allocated for the construction of gravel roads upgraded to surface, roads refurbished and Welisizwe Rural Bridges Programme (allocated through Budget Facility for Infrastructure):<br>**Rehabilitation Refurbishment Welisizwe Rural Bridges**<br>○ Eastern Cape: R443 million R244 million<br>○ Free State: R487 million R201 million<br>○ Gauteng: R861million<br>○ KwaZulu-Natal: R881 million R244 million<br>○ Limpopo: R554 million R244 million<br>○ Mpumalanga: R479 million R244 million<br>○ Northern Cape: R447 million<br>○ North West: R476 million R201 million<br>○ Western Cape: R563 million<br>• The PRMG rehabilitation and refurbishment component allocation may only be allocated to:<br>○ rehabilitation and refurbishment of provincial strategic road network<br>○ upgrading of earth (dirt) road to an engineered gravel road<br>○ the upgrading of a gravel road to a surfaced road<br>• All projects under the refurbishment component must be included in business plans, and with approval from the DoT<br>• Business plans for the Welisizwe Rural Bridges Programme allocation must be submitted to the DoT and Department of Public Works and Infrastructure (DPWI) prior to the transfer of allocations<br>• Welisizwe Rural Bridges Programme funds may only be utilised for projects as listed in the approved DPWI-provincial departments of transport memorandum of understanding and business plans<br>• Monthly performance reports on the Welisizwe Rural Bridges Programme allocations must be submitted to the DoT and DPWI<br>• Detailed monthly progress must be reported on the infrastructure reporting model |
| **Allocation criteria** | • Allocations are based on the PRMG formula, which takes into account the extent of the provincial road network (gravel/paved), the traffic volumes, the visual condition indices on the network and geo-climatic and topographic factors<br>• A separate component for the Welisizwe Rural Bridges Programme exits outside of the PRMG allocation and allocations are based on projects submitted to and approved by DPWI and administered by the DoT<br>• Unallocated amounts, for rehabilitation and refurbishment for 2026/27 and 2027/28 will be allocated as an incentive-based on the level of service efficiency achieved in road project investments undertaken |
| **Reasons not incorporated in equitable share** | • This grant is intended to ensure that provinces give priority to road infrastructure and promote efficiency in road investment |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R15.3 billion allocated, R13.3 billion (90.7 per cent) was spent by provinces by the end of the financial year |
| | **2023/24 service delivery performance**<br>• Provinces developed and updated the road asset management plan<br>• 27 936 km of surfaced roads visually assessed as per the applicable technical methods for highway manual<br>• 65 674 km of gravel roads visually assessed as per the applicable technical methods for highway manual<br>• 5 250 892 m² (1 500 effective km) surfaced roads rehabilitated<br>• 5 676 241 m² (1 621621 effective km) of surfaced roads resurfaced (overlay or reseal)<br>• 2 196 952 m² of roads were patched<br>• 5 694 km of gravel roads re-gravelled<br>• 296 155 km of gravel roads bladed<br>• 330 181 jobs created (work opportunities)<br>• 4 421 full-time equivalents created<br>• 9 292 youths employed (18-35)<br>• 219 870 women employed<br>• 116 people living with disabilities employed |
| **Projected life** | • The grant is ongoing, but will be subject to periodic review |
| **MTEF allocations** | • 2025/26: R17.9 billion; 2026/27: R17.2 billion; and 2027/28: R18 billion |
| **Payment schedule** | • Payment will be made in accordance with a payment schedule agreed to with provinces and approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Ensure that the Table B5 project list is reviewed, verified, and validated to comply with the PRMG conditional grant framework and that all projects are registered in required reporting systems and kept up to date by the provinces. This includes on-going feedback and engagements with provinces to ensure compliance<br>• Submit annual National Road Assessment Management Plan to National Treasury by 27 March 2026<br>• Submit a grant evaluation report to National Treasury four months after the end of the financial year<br>• Review the performance-based allocation mechanism for use in determining future allocations<br>• Confirm the correctness of data submitted by provinces by assessing a representative sample<br>• Ensure that road asset management plan project list and infrastructure reporting model are updated and aligned<br>• Upload submitted road condition data into a central repository |

| Provincial Roads Maintenance Grant | |
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| | • Monitor project implementation through on-going engagements, quarterly through bilateral and site inspections<br>• Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in the 2025 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments of the 2025 Division of Revenue Act<br>• Put in place national transversal appointments and internal mechanisms to assist the identified provinces to implement the projects submitted |
| | **Responsibilities of provincial departments**<br>• Provincial departments must submit monthly infrastructure reports that comply with the infrastructure reporting model to DoT and the relevant provincial treasury 22 days after the end of each month<br>• Provinces must align the road asset management plan, project list and ensure the Table B5 project list is registered on the infrastructure reporting model, the ERS, eQPR systems and the roads authority report annual performance plan and that these systems are kept up to date<br>• Identification and preparation of project profile reports in partnership with the DoT<br>• Identification and submission of projects to be implemented by the DoT<br>• Provinces must report on job creation and contractor development programmes<br>• Provinces must provide for detailed reports on ring-fenced allocations for disasters, rehabilitation and refurbishment and Welisizwe Rural Bridges Programme<br>• Provinces must submit updated road condition data (for paved and unpaved), including instrumental automated road survey data, traffic data, safety audit report and bridge conditions by 29 September 2025<br>• Submit completed and signed-off quarterly performance report templates 30 days after the end of each quarter, together with a separate and signed-off report on safety projects as per the requirements of the performance incentive allocation<br>• Submit completed and signed-off annual grant performance evaluation reports two months after the end of each financial year, together with a separate chapter/report on safety projects as per the requirements of the performance incentive allocation<br>• Provincial departments must implement their projects in line with the S'hamba Sonke and the Expanded Public Works Programme guidelines<br>• Ensure that approved grant funded projects are published as part of the Estimates of Provincial Revenue and Expenditure through the provincial legislative processes<br>• Ensure projects are selected using road asset management system as the primary source of information<br>• Submit updated road condition data (for paved and unpaved roads) including instrumental/automated road survey data, traffic data, safety audit report and bridge condition data by 29 September 2025 |
| **Process for approval of 2026/27 business plans** | • Provinces must submit for approval, a draft 2026/27 road asset management plan with a minimum of five years of planned projects selected using road asset management system as the primary source, by 27 June 2025<br>• Provinces must submit for approval, the infrastructure programme management plan including 2026 MTEF project list by 29 August 2025<br>• Road asset management plans, including 2026 MTEF prioritised project lists (the infrastructure programme management plan) must be reviewed by DoT and feedback provided by 30 September 2025. Provinces must submit the infrastructure programme management plan including 2026/27 delivery project list by 28 November 2025 and must be reviewed by DoT and feedback provided by 31 December 2025<br>• Provinces to submit for approval, final 2026/27 road asset management plan and Table B5 project list to DoT, the relevant provincial treasury and National Treasury by 30 January 2026 indicating all the required planned targets |

| Public Transport Operations Grant | |
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| **Transferring department** | • Transport (Vote 40) |
| **Grant schedule** | • Schedule 4, Part A |
| **Strategic goal** | • Subsidised road based public transport services |
| **Grant purpose** | • To provide supplementary funding towards public transport services provided by provincial departments of transport |
| **Outcome statements** | • The provision of public transport services in terms of contracts which are kilometre based and affordable to the users of the services<br>• Improved efficiencies in public transport spending |
| **Outputs** | • Number of vehicles subsidised<br>• Number of vehicles subsidised (cumulative annual number)<br>• Number of trips operated<br>• Number of passengers<br>• Number of kilometres<br>• Number of employees |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation<br>• Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Not applicable |
| **Conditions** | • This conditional grant provides supplementary funding to subsidise service contracts entered into between the provincial departments of transport and public transport operators for the provision of affordable subsidised transport services<br>• If the contracting function is assigned to any municipality before the 2025/26 adjustment budget, the appropriate portion of the grant will also be assigned to the municipality. The implementation of the assignment should be managed in terms of section 16 of the 2025 Division of Revenue Act<br>• Where contracts are not assigned, provinces must continue performing the contracting function until this function is assigned to a municipality in terms of the provisions of the National Land Transport Act (Act 5 of 2009). The municipality and province will have to make transitional arrangements to ensure payments to operators to meet contractual commitments. A service level agreement between the province and the municipality must be signed and funds must flow in line with the 2025 Division of Revenue Act requirements. Provinces must take all reasonable measures to assist the transition within a framework to be prescribed by the national Department of Transport (DoT) and National Treasury<br>• In cases where a contract, or part thereof, is transferred in terms of any applicable legislation or legal provision as part of the integrated public transport network of the municipality, the funds allocated to such a contract or part thereof must be ring-fenced and transferred to the municipality taking over the contract from the province<br>• For the purpose of planning, provinces must establish public transport integration committees. The provinces must share relevant information with municipalities relating to this grant, where services link to integrated public transport networks<br>• All new contracts, including designs and operators' business plans detailing subsidised services, must be assessed by the public transport integration committees, to ensure that they are in line with relevant legislation and in compliance with the public transport strategy and recommended for approval. Where an intermodal planning committee is established at municipal level, in terms of the National Land Transport Act 5 of 2009 the functions of the two committees must be consolidated to ensure integration of planning, services and modes<br>• Provinces must ensure that public transport integration committees are functional and that no new contracts are paid from the grant if they are not considered by the public transport integration committees |
| **Allocation criteria** | • Allocations are based on the 2009 Division of Revenue Act allocation baseline, weighted for the average shares of historical contributions that supplement the grant. Provinces/contracting authorities should determine individual operator's budgets and ensure that the operation stays within the allocation or provide supplementary funds from their provincial budget |
| **Reasons not incorporated in equitable share** | • Subsidies are earmarked for the provision of public transport services |
| **Past performance** | **2023/24 audited financial outcome**<br>• Allocated and transferred R7.4 billion to provinces of which R7.4 billion was spent by the end of the national financial year |
| | **2023/24 service delivery performance**<br>• Number of vehicles subsidised: 6189<br>• Number of kilometres subsidised: 207 680 196<br>• Subsidy per passenger: R31.08<br>• Subsidy per kilometre operated: R35.79<br>• Passengers per vehicle: 3212<br>• Passengers per trip operated: 45<br>• Employees per vehicle: 1.9 |
| **Projected life** | • Grant continues until the 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R8.1 billion; 2026/27: R8.5 billion; and 2027/28: R8.8 billion |
| **Payment schedule** | • Monthly instalments according to a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Disburse allocations to provinces<br>• Collect and evaluate operational and financial data from provinces and consolidate for submission to |

| Public Transport Operations Grant | |
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| | National Treasury<br>• Maintain a national database with key performance indicators of public transport services as per data received from provinces<br>• Submit quarterly and annual reports to National Treasury in line with the 2025 Division of Revenue Act requirements and time frames<br>• Advise provinces/contracting authorities regarding the design of contracted services<br>• Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in the 2025 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of the 2025 Division of Revenue Act |
| | **Responsibilities of provincial departments**<br>• Any contractual agreement entered into in relation to this grant will be the responsibility of the contracting authority<br>• Provincial departments remain responsible for funding any shortfall experienced on this grant from their provincial equitable share<br>• Ensure that contracted operators' certified claims are paid within 30 days from the date of receipt<br>• Provinces must monitor and verify the correctness of the operators' claims in terms of the kilometres of service provided and provide a monthly summary report to the transferring officer<br>• Certify and submit monthly performance reports to DoT within 25 days after the end of the month, and quarterly performance reports within 30 days after the end of each quarter using the reporting format developed by DoT<br>• The Public Transport Operations Grant reports must be signed by the Accounting Officer or delegated official in terms of the Public Finance Management Act<br>• Provinces must inform the transferring officer of any disputes or challenges that may lead to service disruptions<br>• Provinces must ensure that public transport integration committees are established and new public transport contracts are to be considered by the public transport integration committees for approval |
| **Process for approval of 2026/27 business plans** | • Not applicable |

# Annexure W3: Frameworks for Conditional Grants to Municipalities

## Detailed frameworks on Schedule 4, Part B; Schedule 5, Part B; Schedule 6, Part B; and Schedule 7, Part B grants to municipalities

## Introduction

This annexure provides a brief description for each grant in Schedule 4, Part B; Schedule 5, Part B; Schedule 6, Part B; and Schedule 7, Part B of the 2025 Division of Revenue Bill. The following are key areas considered for each grant:

- Strategic goal and purpose of the grant
- Outcome statements and outputs of the grant
- Priority(ties) of government that the grant primarily contributes to
- Conditions of the grant (additional to what is required in the Bill)
- Criteria for allocation between municipalities
- Rationale for funding through a conditional grant
- Past performance
- The projected life of the grant
- 2025 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2026/27

The attached frameworks are not part of the Division of Revenue Bill but are published in order to provide more information on each grant to parliament, legislatures, municipal councils, officials in all three spheres of government and the public. Once the Division of Revenue Bill, 2025 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2025/26 will report against the Division of Revenue Act, Division of Revenue Amendment Act and their schedules, and the grant frameworks as gazetted in terms of the Act. Such reports must cover both financial and non-financial performance, focusing on the outputs achieved.

## COOPERATIVE GOVERNANCE GRANTS

| Integrated Urban Development Grant | |
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| **Transferring department** | • Cooperative Governance (Vote 3) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces and ultimately unlock growth |
| **Grant purpose** | • To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure<br>• To ensure that public investments are spatially aligned and to promote the sound management of the assets delivered |
| **Outcome statements** | • Improved access to municipal infrastructure<br>• Improved quality of municipal services through infrastructure that is in better condition<br>• Improved spatial integration |
| **Outputs** | • Number of new water connections meeting minimum standards<br>• Number of new sewer connections meeting minimum standards<br>• Percentage of known informal settlements receiving integrated waste handling services during the financial year<br>• Number of additional parks, outdoor sports facilities and open space provided during the financial year<br>• Number of additional community halls provided during the financial year<br>• Number of additional libraries provided during the financial year<br>• Additional kilometers of unsurfaced roads graded within the financial year<br>• Additional kilometers of surfaced municipal road lanes which has been resurfaced and resealed<br>• Additional kilometers of roads, stormwater and stormwater channels constructed during the financial year<br>• Number of pedestrian and vehicular bridges constructed during the financial year<br>• Additional kilometers of non-motorised transport paths built over the financial year<br>• Number of community lighting, street lights and high mast lights, constructed during the financial year<br>• Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs<br>• Number of specialised vehicles for waste management (as defined in annexures A and B of the norms and standards for specialised waste vehicles), purchased to service poor unserved communities<br>• Number of urgent repairs and refurbishment undertaken on municipal infrastructure |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses a three-year capital programme that is aligned with a 10-year Capital Expenditure Framework (CEF)<br>• The three-year capital programme must demonstrate alignment with the municipal Integrated Development Plan (IDP), sector masterplans, District One Plans developed in terms of the District Development Model (DDM), and the Integrated Urban Development Framework (IUDF) outputs and outcomes<br>• The three-year capital programme must provide the following detail for each sub-programme that is partially or fully funded by the Integrated Urban Development Grant (IUDG):<br>o classification of sub-programme as informal settlement upgrading, other new infrastructure or renewal<br>o anticipated outputs<br>o indication of the proportion of outputs that will be delivered in priority areas as identified in the Spatial Development Framework<br>o indication of the proportion of outputs that will benefit low-income households, high income households or non-residential customers<br>• The three-year capital programme must demonstrate appropriate co-funding for the portion of the programme that does not benefit low-income households<br>• The three-year capital programme must be developed in accordance with the planning, administration and implementation phases of project management<br>• This grant uses the Municipal Infrastructure Grant-Management Information System (MIG-MIS) registration requirements for ongoing projects that were previously funded from the Municipal Infrastructure Grant (MIG)<br>• IUDG funds may only be spent on:<br>o basic residential infrastructure for the poor for water, sanitation, roads, waste management, street lighting, community facilities as well as associated municipal bulk and connector infrastructure<br>o new infrastructure, upgrading existing infrastructure or renewing existing infrastructure<br>o maintenance of roads infrastructure mainly serving the poor<br>o specialised waste management vehicles servicing the poor<br>o undertaking specified planning and programme management activities<br>• Municipalities with non-compliance pre-directives or directives from relevant sector departments may use up to 10 per cent of their IUDG allocation for urgent repairs and refurbishment, provided that data is based on the respective sector master plans and/or asset management plans. This is subject to prior approval from DCoG |

| Integrated Urban Development Grant | |
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| **Conditions** | • IUDG receiving municipalities must submit their infrastructure asset management plans, accompanied by an excel copy of the municipality's audited asset register to DCoG by 30 April 2025<br>• MIG project commitments not completed with the transition from the MIG programme to the IUDG programme take priority in terms of funding allocation and accounted for both through the MIG-MIS and the IUDG reporting structures, until the projects are fully completed<br>• Before newly participating municipalities can receive their first tranche, their three-year capital programme and 10-year CEF must have been approved through processes led by DCoG<br>• An IUDG receiving municipality must use the Public Infrastructure Unit Cost Guidelines, 2021 edition, for the costing of IUDG funded projects<br>• A maximum of 5 per cent of a municipality's IUDG base allocation may be used for programme management costs related to grant funded projects, only if a business plan for their Programme Management Unit (PMU) is submitted for assessment and recommendation by the provincial department responsible for local government; and approved by the transferring officer before the start of the municipal financial year. If these funds (5 per cent) are not planned or spent for this purpose, they must revert back to capital projects in the IUDG<br>• The 2025/26 financial year PMU business plans must be submitted to DCoG for approval, by not later than 30 April 2025<br>• The performance-based component of the IUDG can only be used for new, upgrading and rehabilitation of basic services infrastructure<br>• The planning component is only provided to new entrants to the IUDG programme and the allocation must be used to develop, review, strengthen and ensure alignment between the CEFs, three-year capital programme, IUDF, asset management plans and district one plans<br>• An IUDG receiving municipality must spend at least 60 per cent of its transferred amount, before the next transfer<br>• An IUDG receiving municipality must spend at least 45 per cent of its allocation by December 2025<br>• IUDG funds can be used for road maintenance only if projects are planned and prioritised using asset management plans<br>• Municipalities that have allocations gazetted for specific sport infrastructure projects funded from the ring-fenced sport funds may only spend these allocations on the projects identified by the Department of Sports, Arts and Culture (DSAC)<br>• Municipalities that are already part of the IUDG but do not continue to meet all of the qualification criteria for the grant must adopt and implement a Performance Improvement Plan (PIP) and meet the qualification criteria within two years of the implantation of the PIP, if they are to remain part of this grant. DCoG will continue to monitor the PIPs for Polokwane Local Municipality and Sol Plaatje Local Municipality<br>• Municipalities implementing a PIP must submit quarterly reports on its progress to DCoG<br>• Municipalities using IUDG funding to purchase specialised vehicles for waste management must prepare a technical assessment report (TAR) which must comply with the norms and standards for specialised waste management vehicles. The TAR must demonstrate that IUDG funds will only be used for the expansion of waste management services to poor households not previously served. The purchase will only be done through the National Treasury's RT57 transversal contract and the TAR must include a recommendation from the provincial Department of Forestry, Fisheries and the Environment (DFFE) and a final approval from the national DFFE before it is considered. Vehicles may not be purchased with IUDG funds for other purposes<br>• IUDG receiving municipalities must comply with sector norms, standards and legislation, in implementing the three-year capital programme |
| **Allocation criteria** | • Allocations are focused on municipalities whose circumstances align with the IUDG's criteria, these include: higher urban population densities and high economic activity<br>• The IUDG includes a base component that is derived from the MIG formula explained in part five of Annexure W1 of the 2025 Division of Revenue Bill; a performance-based component and a 3 per cent planning component<br>• A portion of the total IUDG allocation is allocated as a performance incentive. The performance-based component is also weighted according to the allocations in the MIG formula. This allocation is then adjusted based on performance against the following weighted indicators:<br>o non-grant capital as a percentage of total capital expenditure (40 per cent)<br>o repairs and maintenance expenditure (30 per cent)<br>o asset management plan (30 per cent)<br>o land use applications in priority areas (0 per cent - this factor is dormant in 2025/26)<br>o building plan applications in priority areas (0 per cent - this factor is dormant in 2025/26)<br>• An equivalent of 3 per cent of the MIG formula allocation for newly participating municipalities is allocated to undertake specified planning activities, provided that these conform to the list of eligible activities identified by the transferring officer, including:<br>o a detailed three-year capital programme and a 10-year CEF<br>o property market empirical and diagnostic studies<br>o integrated infrastructure and spatial planning for identified integration zones<br>o investment pipeline development<br>o municipal systems and/or measures to improve ease of doing business such as construction permits and land use applications<br>o development or review of infrastructure asset management plans |

| Integrated Urban Development Grant | |
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| | ○ identified priority areas for spatial transformation in line with the Spatial Development Framework and CEF<br>○ development of infrastructure financing strategies and instruments including finance strategy for green and climate resilient infrastructure<br>○ implementation of an agreed performance improvement plan<br>○ private sector engagement strategy and programme indicating how the municipality will partner with different stakeholders on the delivery of the CEF<br>○ development of climate change mitigation and adaptation plan or strategy |
| **Reasons not incorporated in equitable share** | • This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share |
| **Past performance** | **2023/24 audited financial outcomes**<br>• The IUDG allocation for 2023/24 was R1.2 billion and R1.2 billion or 99.9 per cent of the allocated funds were spent in 2023/24 |
| | **2023/24 service delivery performance**<br>• Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for:<br>○ 135 households provided with basic water and sanitation services<br>○ 100 households provided with electricity<br>• Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure):<br>○ 1 sport and recreation facilities developed<br>○ 2 Pedestrian Bridges<br>○ 6 kilometres of municipal roads developed<br>○ 2 kilometres of municipal roads upgraded and rehabilitated<br>○ 50 streetlights and 42 high-mast lights installed<br>○ 1 community hall developed<br>• 465 FTEs created using the EPWP guidelines for the above outputs |
| **Projected life** | • The programme will continue up to 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R1.3 billion; 2026/27: R1.4 billion; and 2027/28: R1.4 billion |
| **Payment schedule** | • The grant will be paid in three instalments: July 2025, December 2025 and March 2026, in line with the payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national departments**<br>• DCoG administers the IUDG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must:<br>○ monitor expenditure and non-financial performance in collaboration with provincial departments of cooperative governance<br>○ coordinate overall programme implementation<br>○ ensure that the results of the green drop, blue drop and no drop assessments are considered and prioritised in the planning and prioritisation of water projects<br>• The Municipal Infrastructure Support Agent must support municipalities that have been identified collaboratively by DCoG and its provincial counterparts as needing assistance<br>• DFFE must make the final recommendation on the TAR for the purchasing of specialised waste management vehicles<br>• In addition to the sector-specific support and advice, the Department of Water and Sanitation, DFFE, Department of Transport, Department of Electricity and Energy and DSAC will be expected to:<br>○ provide sector policies and plans to municipalities as informants to the preparation of CEFs<br>○ participate in processes to approve the 10-year CEF and three-year capital programme<br>○ fulfil a sectoral monitoring and guidance role on relevant sectoral outputs. National sector departments will be invited to participate in IUDG in-year monitoring meetings in order to facilitate this role |
| | **Responsibilities of the provincial departments**<br>• Provincial departments responsible for local government must:<br>○ coordinate technical support to municipalities<br>○ provide assistance to municipalities in managing municipal infrastructure projects<br>○ participate in processes to approve the 10-year CEF and three-year capital programme<br>○ participate in in-year monitoring meetings<br>○ verify outputs and outcomes reported by municipalities on a sample of projects annually<br>• Provincial treasuries must:<br>○ participate in processes to approve the 10-year CEF and three-year capital programme<br>○ participate in in-year monitoring meetings<br>• Provincial departments of environment, forestry and fisheries are responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles to the national Department of Environment, Forestry and Fisheries |
| | **Responsibilities of the municipalities**<br>• Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation and this must be informed by the IDP, three-year capital programme and the 10-year CEF<br>• Municipalities must monitor projects during the year and use this monitoring to inform reporting to DCoG |

| Integrated Urban Development Grant | |
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| | • Municipalities must report monthly, quarterly and at the end of the financial year in the prescribed format(s) and timelines<br>• Monthly, quarterly and annual reports must be signed-off by the Accounting Officer or the delegated official and submitted directly to DCoG<br>• Ensure that the results of the green drop, blue drop and no drop assessments are considered and prioritised in the planning and prioritisation of water projects<br>• Municipalities must ensure that at least 20 per cent of their IUDG budget applies labour intensive construction methods (LICs) and complies to EPWP infrastructure guidelines<br>• Procurement of service providers and contractor should be concluded within the first quarter of the 2025/26 financial year |
| **Process for approval of 2026/27 business plans** | • Eligibility for the IUDG and minimum conditions for qualification are outlined in Annexure W1 to the 2025 Division of Revenue Bill<br>• Any Category B municipality may apply to qualify for the IUDG for 2026/27 by submitting an application by 31 July 2025<br>• IUDG receiving municipalities must submit data for the calculation of the performance-based component (incentives) for approval by DCoG by not later than 29 August 2025, to inform the subsequent year's allocations<br>• Municipalities that will be receiving the IUDG for the first time in 2026/27 must submit a first draft of the three-year capital programme and 10-year CEF to the transferring officer by 30 March 2026 and the final versions of the three-year capital programme and 10-year CEF must be adopted by respective councils by 1 June 2026<br>• The adopted three-year capital programme and 10-year CEF must be submitted to DCoG with council resolution no later than 10 days after adoption by council<br>• Municipalities that are already on the IUDG do not need to submit CEFs to DCoG annually unless they embarked on a process to review or amend their CEF and three-year capital programme in the prior year or advised by DCoG upon conducting a gap analysis on the existing CEF<br>• The 2025/26 financial year PMU business plans must be submitted to DCoG for approval, by not later than 30 April 2025 |

| Municipal Disaster Recovery Grant | |
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| **Transferring department** | • Cooperative Governance (Vote 3) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To restore functionality of municipal infrastructure following a disaster |
| **Grant purpose** | • To rehabilitate and reconstruct municipal infrastructure damaged by a disaster |
| **Outcome statements** | • Municipal infrastructure damaged by a disaster rehabilitated and reconstructed |
| **Outputs** | • Municipal infrastructure damaged by a disaster reconstructed and rehabilitated |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses the template/framework developed by the National Disaster Management Centre (NDMC) which must include a project implementation plan, highlighting:<br>o copy of the applicable contingency plan and emergency procedures in use by the municipality (in terms of section 49(1)(d) of the Disaster Management Act) linked to Sections 56 and 57 of the same Act<br>o details of insurance and insured infrastructure, where applicable including factors outlined in Sections 56 and 57 of the same Act as well as proof from the insurance company on the matter<br>o an asset register that accurately reflects the projects for which funding has been applied<br>o list of projects to be implemented<br>o time-frames within which the projects will be implemented<br>o technical report (high level that explains viability and practicality)<br>o costs of reconstruction and rehabilitation projects, including personnel related costs<br>o progress made on the approvals of EIA's and WULA by the relevant sector departments<br>o maintenance plan and resourcing of the infrastructure to be repaired<br>o disaster risk reduction measures for the proposed reoccurrence of disaster related damage in the future<br>o number of households to benefit from the projects and estimated jobs to be created |
| **Conditions** | • A business plan and project implementation plan signed by the Accounting Officer aligned to the post disaster verification assessment report must be submitted to the NDMC<br>• Disaster reconstruction and rehabilitation funds must only be utilised for approved projects as listed in the post disaster verification and assessment reports and approved business plans<br>• The grant may not be utilised for insured infrastructure. In case of inadequate insurance, reasons for inadequate insurance to be provided as well as proof from the insurer on the amount paid/to be paid<br>• Funds may only be utilised for approved projects within affected municipalities, for the reconstruction and rehabilitation of infrastructure damaged by disaster incidents<br>• Monthly and quarterly financial and non-financial performance reports on disaster allocations must be submitted to the NDMC through the relevant Provincial Disaster Management Centre (PDMC)<br>• Annual performance evaluation report on financial and non-financial performance to be submitted to the NDMC through the relevant PDMC<br>• Municipalities must liaise and align the disaster recovery projects with the Municipal Infrastructure Grant projects to ensure proper monitoring and reporting on the progress for implementation of the projects<br>• To receive the first tranche, municipalities must have submitted a business plan identifying projects to be implemented through approved allocation confirming project planning and implementation readiness including cash flow projections and must confirm the appointment of a service provider<br>• Municipalities must spend at least 60 per cent of their previous transfers and comply with all grant conditions before subsequent tranches can be transferred |
| **Allocation criteria** | • The grant is allocated based on approved post-disaster reconstruction and rehabilitation assessment reports |
| **Reason not incorporated in equitable share** | • This grant caters for recovery after unforeseen disasters |
| **Past performance** | **2023/24 audited financial outcomes**<br>• The grant was allocated R1.5 billion, of which R1.3 billion was transferred to 54 municipalities, and R433 million was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• R1.3 billion was transferred to reconstruct and rehabilitate municipal infrastructure damaged by the floods as follows:<br>o R659 million in the Eastern Cape for 22 municipalities<br>o R403 million in KwaZulu-Natal for 17 municipalities<br>o R113 million in Limpopo for 7 municipalities<br>o R159 million in Mpumalanga for 8 municipalities |
| **Projected life** | • This grant will continue until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R709 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of National Disaster Management Centre**<br>• Advise municipalities about the existence of the grant and its conditions<br>• Provide municipalities with a final post-disaster verification assessment report that includes a project list and projected costs for all infrastructure to be reconstructed or rehabilitated. This report must be provided through the relevant PDMC<br>• Monitor the implementation of projects together with the affected municipalities and provinces<br>• Make payments to municipalities in accordance with the approved payment schedule<br>• Transfer funds only when evidence on project performance and expenditure reports are submitted |

| Municipal Disaster Recovery Grant | |
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| | • Participate in the review of disaster response implementation, led by the Development Bank of Southern Africa |
| | **Responsibilities of Municipal Infrastructure Support Agency**<br>• Support the NDMC and PDMCs in conducting detailed assessments and verification of the damage to municipal infrastructure<br>• In collaboration with the relevant sector departments, assist the identified municipalities on appropriate infrastructure, planning delivery models for the implementation of disaster projects<br>• Coordinate the infrastructure verification assessment in collaboration with the PDMC, provincial sector departments and NDMC<br>• Advise on the pre-engineering processes to be followed in the reconstruction of damaged infrastructure (Environmental Impact Assessments and Water Use License Applications)<br>• Recommend the technical reports and designs by the municipalities to ensure technical viability and feasibility and costing of the projects<br>• Support the municipalities with improvements to municipal processes for planning, project prioritisation and selection. This includes detailed planning, scoping, designing, scheduling, costing and procurement implementation<br>• Provide technical advice and expertise to identified municipalities on the use of alternative technologies<br>• Monitor the implementation of projects together with the affected municipalities, PDMC and NDMC |
| | **Responsibilities of Provincial Disaster Management Centres**<br>• Advise municipalities about the existence of the grant and its conditions<br>• Assist municipalities with the rapid assessment reports to be submitted to the NDMC<br>• Provide support to municipalities with regard to the final post-disaster verification report<br>• Ensure that the final post-disaster verification report is signed-off by both the Accounting Officer in the municipality and the provincial department<br>• Provide a copy of the final post-disaster verification report to municipalities<br>• Assist municipalities with business plans incorporating the implementation plan and disaster risk reduction measures for the proposed projects to prevent reoccurrence of disaster related damages in future<br>• Monitor the performance of municipalities and recommend relevant measures required for under-performance to NDMC<br>• Coordinate provincial on-site visits to monitor and report on the implementation of projects and provide reports of progress to the NDMC<br>• Provide financial and non-financial reports to the NDMC within 10 days after the end of each month. Photographs depicting the projects progress should be included as an annexure<br>• Provide expenditure and project performance reports including evidence to the NDMC within 35 days after the end of the quarter in which funds are spent |
| | **Responsibilities of the District Management Centres**<br>• Provide implementation support to the affected local municipalities<br>• Receive the financial and non-financial information and monitor the implementation of disaster projects<br>• Participate in the project steering committee meetings of the implementing municipality<br>• Undertake on-site visits with other relevant stakeholders |
| | **Responsibilities of municipalities**<br>• Undertake disaster assessments, prepare assessment report and funding request and submit to the PDMC<br>• Develop and submit business plans incorporating implementation plans and disaster risk reduction measures for the proposed projects to prevent reoccurrence of disaster related damages in future<br>• Activate municipal project task teams for implementation of approved disaster projects<br>• Conduct on-site visits to monitor and evaluate the performance of projects and provide reports which include evidence to the NDMC through the relevant PDMC<br>• Utilise the funds in line with the approved post-disaster verification assessment report and conditions of the grant<br>• Submit reports on financial and non-financial information to the PDMC within five days of the end of each month in which funds are spent. Photographs depicting the project progress should be included as annexures<br>• Submit a quarterly non-financial performance report signed-off by the Municipal Manager to the PDMC within 30 days after the end of each quarter in which funds are spent (in line with section 12(2)(c) of the 2025 Division of Revenue Act), together with supporting documentation such as certificate of payment, pictures, invoices, etc<br>• Evaluate the financial and non-financial performance of the municipality and submit such evaluation signed-off by the Municipal Manager to relevant provincial treasury and the NDMC through the PDMC within two months after the end of the financial year (in line with section 12(5) of the 2025 Division of Revenue Act), together with supporting documentation such as certificate of payment, pictures, invoices, completion certificate and close out reports<br>• Compile lessons learnt from post-grant intervention, close out reports, outlining measures taken to reduce risks or enhance resilience. This should encompass an assessment of exposure to hazards, vulnerability and capacity, and hazard's characteristics as part of performance reporting |
| **Process for approval of 2026/27 business plans** | • Not applicable |

| Municipal Disaster Response Grant | |
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| **Transferring department** | • Cooperative Governance (Vote 3) |
| **Grant schedule** | • Schedule 7, Part B |
| **Strategic goal** | • To enable timely response to address community needs regarding impending or disastrous events classified by the National Disaster Management Centre |
| **Grant purpose** | • To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act |
| **Outcome statements** | • Immediate consequences of disasters are mitigated or alleviated |
| **Outputs** | • Emergency repair of critical infrastructure<br>• Emergency provision of critical goods and services |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Applications for funding from this grant use the National Disaster Management Centre (NDMC) disaster grant guideline which includes the following:<br>o copy of the applicable contingency plan and emergency procedures in use by the municipality (in terms of section 49(1)(d) of the Disaster Management Act)<br>o prevention and mitigation strategies as per the disaster management plan<br>o documentation linked to Sections 56 and 57 of the same Act<br>o details of insurance and insured infrastructure, where applicable including factors outlined in sections 56 and 57 of the same Act as well as proof from the insurance company on the matter<br>o number of people, households and infrastructure affected and the extent of damages and losses<br>o sectors affected<br>o total funds required for disaster response and relief measures<br>o resources (both financial and in-kind) allocated by the municipality to respond and mitigate the effects of the disaster<br>o resources (both financial and in-kind) committed by other role players, including provinces, the private sector, national departments, state owned entities and non-government organisations<br>o cost-benefit analysis of the projects to be implemented<br>o an asset register that accurately reflects the projects for which funding has been applied<br>• An implementation plan with the following:<br>o details of the projects to be repaired including Global Positioning System (GPS) coordinates<br>o estimated total cost of the projects, including personnel related costs<br>o consolidated projects cash flow over six-month period as an annexure to the implementation plan<br>o technical report (high level that explains technical solution, viability and practicality)<br>o maintenance plan and resourcing of the infrastructure to be repaired<br>• An application for funding contribution may be based on the rapid assessment (preliminary versions of the supporting documentation required above may be accepted for the funding application)<br>• Specifics on the rapid response capacity to implement the projects and account for allocated funding |
| **Conditions** | • An occurrence should be classified as a disaster by the NDMC in terms of the Disaster Management Act and documentation linked to conditions within sections 56 and 57 of the above-mentioned Act submitted to the NDMC<br>• This grant may only be used to fund expenditure in the event that the municipality responsible for the provision of the affected basic service is unable to deal with the effects of the disaster utilising own legislation, guidelines and available resources<br>• The grant may not be utilised for insured infrastructure. In case of inadequate insurance, reasons for inadequate insurance to be provided as well as proof from the insurer on the amount paid/to be paid<br>• Municipalities must fund a portion of the costs of the disaster response and relief measures from their own budget, if unable to do so, proof must be provided together with the funding request<br>• Funds may only be used in line with the approved implementation plan by NDMC. Any amendments to the implementation plan must be approved by the Accounting Officer and be submitted to the NDMC at least three months prior to end of six months implementation period, supported and recommended by the Provincial Disaster Management Centre (PDMC) and Municipal Infrastructure Support Agent (MISA); and approved by the NDMC and copies of the approved amendments to be shared with National Treasury<br>• Funding may be released in tranches, with the first tranche being based on the rapid assessment and verification of the disaster relief needs. The next tranches will be released once proof is submitted that the first tranche has been fully spent or committed and all grant conditions have been met<br>• The emergency procurement system provided for in Treasury Regulations should be invoked by the affected municipalities to ensure immediate response and relief measures within their areas of jurisdiction<br>• A copy of the contingency plan for the relevant hazard is to be submitted with the funding request |
| **Allocation criteria** | • The grant is allocated for classified disasters, based on reports from assessments conducted by the municipality and the verification process conducted by the NDMC, PDMC and affected sectors for immediate disaster response and relief needs. This should include implementation of Section 56 and 57 of the Disaster Management Act. Additionally, it must be established that there are immediate disaster response and relief needs that cannot be met by the municipality through the contingency arrangements already in place<br>• The Accounting Officer of the affected municipality must provide proof together with the funding request indicating that the total funds required from the grant for disaster response and relief exceed the available resources and/or resources already allocated for disaster response and relief |

| Municipal Disaster Response Grant | |
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| **Reasons not incorporated in equitable share** | • This grant provides funding for responding to and providing response and relief measures for unforeseeable and unavoidable disasters where municipalities are unable to cope with the effects of the disaster from own resources |
| **Past performance** | **2023/24 audited financial outcomes**<br>• The grant was allocated R891 million, of which R873 million was transferred to 83 municipalities in all nine provinces and R483 million was spent |
| | **2023/24 service delivery performance**<br>• R873 million was transferred to municipalities to provide funding to repair municipal infrastructure damaged due to floods. The funding was disbursed as follows:<br>o R220 million to Eastern Cape for 27 municipalities<br>o R59 million to Free State for 6 municipalities<br>o R88 million to KwaZulu-Natal for 9 municipalities<br>o R62 million to Gauteng for 1 municipality<br>o R107 million to Limpopo for 13 municipalities<br>o R162 million to Mpumalanga for 13 municipalities<br>o R5 million to Northern Cape for 1 municipality<br>o R40 million to North-West for 3 municipalities<br>o R130 million to Western Cape for 10 municipalities |
| **Projected life** | • This grant is expected to continue over the medium-term subject to review |
| **MTEF allocations** | • 2025/26: R395 million; 2026/27: R413 million; and 2027/28: R432 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the National Disaster Management Centre**<br>• Advise and guide municipalities and PDMCs about the existence of the grant and how grant funding can be applied for and the criteria to qualify for the grant<br>• Verify the applications for funding as per the requirements of the Disaster Management Act and submit funding request to National Treasury for consideration within 14 days following the receipt of the assessment report and written funding request from the municipalities through the PDMCs and when all grant conditions have been met<br>• Confirm what support the relevant national sector departments are providing and ensure there is no duplication of support<br>• Notify the relevant municipality of a transfer at least three days before the transfer is made<br>• Notify the relevant Municipal Disaster Management Centre and PDMC together with the relevant sector departments, National Treasury and the relevant provincial treasury of a transfer and reason for transfer within five days of the transfer of funds to municipalities<br>• Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant<br>• Together with the relevant PDMC monitor the implementation of disaster response and relief projects<br>• Share with the National Treasury, approvals to utilise more than six calendar months after the date of transfer<br>• Provide an information system, if available to capture, analyse information, and produce reports<br>• Participate in the review of disaster response implementation, led by the Development Bank of Southern Africa |
| | **Responsibilities of Municipal Infrastructure Support Agency**<br>• Where necessary, support the NDMC and PDMCs in conducting detailed assessments and verification of the damage to municipal infrastructure<br>• In collaboration with the relevant sector departments, assist the identified municipalities on appropriate infrastructure, planning delivery models for the implementation of disaster projects<br>• MISA to coordinate the infrastructure verification assessment in collaboration with the PDMC, provincial sector departments and NDMC<br>• Advise on the pre-engineering processes to be followed in the reconstruction of damaged infrastructure (Environmental Impact Assessments and Water Use License Applications)<br>• Recommend the technical reports and designs by the municipalities to ensure technical viability and feasibility and costing of the projects<br>• Support the municipalities with improvements to municipal processes for planning, project prioritisation and selection. This includes detailed planning, scoping, designing, scheduling, costing and procurement implementation |
| | **Responsibilities of District Municipalities**<br>• Provide technical advice and expertise to identified municipalities on the use of alternative technologies<br>• Monitor the implementation of projects together with the affected municipalities, PDMC and NDMC |
| | **Responsibilities of Provincial Disaster Management Centres**<br>• Advise municipalities about the existence of the grant and its conditions<br>• Assist municipalities with the rapid assessment reports to be submitted to the NDMC<br>• Provide support to municipalities with regard to the final post-disaster verification report<br>• Ensure that the final post-disaster verification report is signed-off by both the Accounting Officer in the municipality and the provincial department<br>• Provide a copy of the final post-disaster verification report to municipalities<br>• Assist municipalities with business plans incorporating the implementation plan and disaster risk reduction measures for the proposed projects to prevent reoccurrence of disaster related damages in future<br>• Monitor the performance of municipalities and recommend relevant measures required for under-performance to NDMC |

| Municipal Disaster Response Grant | |
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| | • Coordinate provincial on-site visits to monitor and report on the implementation of projects and provide reports of progress to the NDMC<br>• Provide financial and non-financial reports to the NDMC within 10 days after the end of each month. Photographs depicting the projects progress should be included as an annexure<br>• Provide expenditure and project performance reports including evidence to the NDMC within 35 days after the end of the quarter in which funds are spent |
| | **Responsibilities of the municipalities**<br>• Conduct damage assessment and costing of emergency repair work<br>• Together with the required supporting documentation, submit disaster assessment reports and funding requests signed-off by the Accounting Officer to the PDMC within 14 days following the classification of a disaster<br>• Municipalities must invoke emergency procurement processes provided for within the Treasury Regulations when spending the funds allocated, to ensure immediate assistance to the affected areas and must provide proof that measures were put in place to mitigate the occurrence in the form of a contingency plan for the specific hazard<br>• Municipalities must implement all projects approved and ensure that the funds allocated are spent for their intended purposes in line with the grant condition<br>• Activate project task teams during the implementation of disaster projects at a municipal level<br>• Submit expenditure reports signed-off by the Accounting Officer which include evidence (such as certificate of payment, pictures, invoices) of implementation progress on the projects to the relevant PDMC within 10 days after the end of each month in which funds are spent<br>• Submit a performance report signed-off by the Accounting Officer which includes evidence (such as certificate of payment, pictures, invoices, completion certificate, close out reports) of implementation progress on the projects to the PDMC within 30 days after the end of the quarter in which funds are spent<br>• Compile lessons learnt from post-grant intervention, completion certificate, close out reports outlining measures taken to reduce risks or enhance resilience. This should encompass an assessment of exposure to hazards, vulnerability and capacity, and hazard's characteristics as part of performance reporting |
| **Process for approval of 2026/27 business plans** | • Not applicable |

| Municipal Infrastructure Grant | |
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| **Transferring department** | • Cooperative Governance (Vote 3) |
| **Grant schedule** | • Schedule 5, Part B and Schedule 6, Part B |
| **Strategic goal** | • Subsidise the capital costs of providing basic services to poor households<br>• Subsidise the development of asset management plans for infrastructure servicing poor households |
| **Grant purpose** | • To provide specific capital finance for eradicating basic municipal infrastructure backlogs through the construction of new infrastructure, and the renewal and refurbishment of existing infrastructure for poor households, microenterprises, and social institutions servicing poor communities<br>• To provide specific funding for the development of asset management plans for infrastructure servicing the poor |
| **Outcome statements** | • Improved access to basic services infrastructure for poor communities, through the use of labour-intensive construction (LIC) methods where it is technically feasible and economically viable<br>• Improved reliability of basic services infrastructure for poor communities<br>• Improved coordinated infrastructure network for service delivery in poor communities |
| **Outputs** | • Number of poor households impacted through the construction of new infrastructure and the upgrading and renewal of existing infrastructure for:<br>o basic water and sanitation services<br>o central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites<br>o sport and recreation facilities<br>o street and community lighting<br>o public facilities<br>• Number of poor households impacted through the urgent repairs and refurbishment of water, sanitation, roads and stormwater and solid waste management existing infrastructure<br>• Number of kilometres of municipal roads developed, upgraded and maintained servicing the poor<br>• Number of specialised vehicles for waste management purchased for servicing the poor<br>• Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs<br>• Number of Infrastructure Asset Management Plans developed |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses the Municipal Infrastructure Grant (MIG) registration form for both Schedule 5, part B and 6, part B as agreed with sector departments, which includes:<br>o project title<br>o sector<br>o timeframes for implementation<br>o operation and maintenance financial requirements and source<br>o number of beneficiaries<br>o funder (municipalities in the case of Schedule 5, part B and the Department of Cooperative Governance (DCoG) in the case of Schedule 6, part B)<br>o cost of the project<br>o LIC component of the project, with targets and processes to be used |
| **Conditions** | **Schedule 5, Part B**<br>• To receive the first tranche, municipalities must have followed the process for approval of 2025/26 projects and have confirmed by 30 April 2025 with DCoG, their programme, project planning and implementation readiness in the form of a municipal council resolution approving the implementation plan that includes cash flow projections as well the procurement plan<br>• Municipal allocations must be fully committed to registered projects prior to the year of implementation and be informed by the Integrated Development Plans (IDPs) and three-year capital plans which are aligned to the relevant One Plan of districts areas developed under the District Development Model<br>• MIG priorities set by municipalities (as stated in their MIG implementation plans) can only be changed in-year with other MIG registered projects, supported by a municipal council resolution and confirmation that the projects will be awarded and implemented in the same year<br>• Projects not implemented within three years of approval by the relevant appraisal committee will be deregistered by MIG Appraisal Committees<br>• Unjustified stalled projects where MIG funds have already been spent and not completed should be prioritised for implementation before any new projects are considered for registration<br>• Stalled projects can only be deregistered on confirmation that they are functional and benefiting the intended beneficiaries as per the project registration and within approved itemised cost<br>• MIG must be allocated and transferred directly to a category B or C municipality that has the powers and functions for basic services referred to in section 84 of the Municipal Structures Act, to enable the municipality to provide basic municipal infrastructure to the poor, in line with their functions<br>• At least 95 per cent of municipalities' allocation must be used on eligible infrastructure funded projects, including renewal and refurbishment of roads and stormwater, solid waste management, and water and sanitation infrastructure mainly servicing the poor<br>• Municipalities must prioritise MIG funds for infrastructure that services eligible beneficiaries, such as:<br>o basic residential infrastructure for the poor for water, sanitation, roads and stormwater, solid waste management, street lighting and community facilities<br>o new or upgrading of municipal bulk infrastructure to support existing areas, the formalisation of informal settlements and to support economic development |

| Municipal Infrastructure Grant | |
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| | ○ renewal of eligible infrastructure servicing the poor subject to the confirmation by the relevant sector department of the state of infrastructure and a commitment from the municipality on how future operations and maintenance of the renewed infrastructure will be funded<br>○ renewal and refurbishment of water and sanitation, roads infrastructure, solid waste management infrastructure mainly servicing the poor<br>○ specialised waste management vehicles servicing the poor<br>• Municipalities' infrastructure failure identified through non-compliance pre-directives, directives or Green and Blue Drop reports from the Department of Water and Sanitation must use at least 10 per cent of their MIG allocations for urgent repairs and refurbishments of infrastructure provided data is based on asset management plans. The application must be accompanied by a certified Excel copy of the municipality's audited asset register<br>• A maximum of 5 per cent of a municipality's allocation may, subject to submitting a business plan for approval by DCoG, be used to fund activities related to the development of an Infrastructure Asset Management Plan. The business plan must be:<br>○ recommended by the relevant sector department<br>○ accompanied by an Excel copy of the municipality's audited asset register and a resolution of Council approving the project submitted by 01 April 2025<br>• Funds may only be used for disaster relief interventions based on a plan approved by the transferring officer<br>• The cost to augment the project management capacity must not exceed 5 per cent of a municipality's MIG allocation and may be used for programme/project management costs related to all Schedule 5, part B grant-funded projects and only if a business plan is approved by 1 May 2025. If these funds are not committed for this purpose or spent for this purpose, it must revert to fund MIG capital projects<br>• Municipalities must comply with sector norms, standards and legislation as confirmed by sectors during the MIG project registration processes<br>• Local municipalities investing in roads and stormwater infrastructure must utilise data from Rural Roads Asset Management Plan (RRAMS) and/or Infrastructure Asset Management Plan to identify and prioritise their investment on roads maintenance projects servicing the poor<br>• Ring-fenced sport infrastructure allocation:<br>○ municipalities that have allocations gazetted as part of the ring-fenced allocation for specific sport infrastructure projects may only spend these allocations on the projects identified by the Department of Sports, Arts and Culture (DSAC)<br>○ initial transfers of funds from the ring-fenced sport infrastructure allocation to identified projects will be subject to signing of a memorandum of understanding (MoU) between DSAC and the beneficiary municipalities<br>○ subsequent transfers for projects funded through the ring-fenced amount will also be subject to approval by DSAC<br>• Sport infrastructure not funded from the ring-fenced amount:<br>○ municipalities must submit technical reports on sport and recreation infrastructure projects<br>○ all sport infrastructure plans and technical reports must be submitted as part of the normal MIG planning process but will be reviewed and approved by DSAC to ensure they comply with norms and standards before construction can begin<br>• Municipalities must ensure compliance to EPWP infrastructure guidelines (that includes training) in aligning their projects and reporting the work opportunities created and training on the EPWP reporting system<br>• Municipalities must ensure that a minimum of 20 per cent of their budget applies LIC methods and complies to EPWP infrastructure guidelines as part of the feasibility phase of the project<br>• Municipalities using MIG funding to purchase specialised vehicles for waste management must complete a Technical Assessment Report (TAR) which must comply with the norms and standards for specialised waste management vehicles. The TAR must demonstrate that MIG funds will only be used for the expansion of waste management services to poor households not previously serviced. The purchase will only be done through the National Treasury's transversal contract RT57 and the TAR must include a recommendation from the Provincial Department Forestry, Fisheries and the Environment (DFFE) and a final approval from the National DFFE before being appraised for registration. Vehicles may not be purchased with MIG funds for other purposes<br>• Municipalities must submit annual reports in the prescribed national template and signed-off by the Municipal Manager or delegated official<br>• Municipalities must utilise the Municipal Infrastructure Grant Management Information System (MIG-MIS) to facilitate programme and project management and monthly and quarterly reporting<br>• Municipalities must spend at least 60 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred<br>• By 2 January 2026, municipalities must spend:<br>○ at least 40 per cent of their total MIG allocation, where allocations are equal or less than R100 million<br>○ at least 45 per cent of their total MIG allocation, where allocations are more than R100 million<br>**Schedule 6, Part B**<br>• DCoG will assess municipalities on the following criteria for inclusion in 2025/26 to identify municipalities for possible conversion of Schedule 5B allocations to Schedule 6B:<br>○ municipalities with DWS and DFFE directives/non-compliance/criminal charges on the poor state of water, sanitation and solid waste management infrastructure |

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| | ○ actual expenditure reported by municipalities on repairs and maintenance from the previous financial year is lower than 2 per cent of the value of the municipality's Property, Plant and Equipment (PPE)<br>○ extent of non-revenue water as reported in the audited municipal annual financial statements (AFS). Where non-revenue water is in excess of 30 per cent and not decreasing from year-to-year, the municipality shall be determined to be failing to manage its water supply<br>○ Perennial poor performer of MIG - low MIG expenditure performance over the last three municipal financial years (spent on average 80 per cent and less against the originally annually allocated MIG (before adjustments) over the last two years (2021/22 – 2023/24)<br>• DCoG will notify relevant municipalities by March 2025 on the analysis results, DCoG and relevant municipalities must enter into an MoU and agree on a capacity building plan before any project is implemented<br>• DCoG to prepare an implementation plan based on the converted funding specifying the agreed projects to be implemented per municipality by 30 April 2025. The affected municipalities will align their 2025/26 implementation plans in line with their converted 2025/26 MIG allocations to be submitted to DCoG by 30 April 2025 |
| **Allocation criteria** | • Part 5 of Annexure W1 to the 2025 Division of Revenue Bill sets out the MIG formula in detail, showing how the formula incorporates backlog and poverty data<br>• The funds ring-fenced for sport infrastructure are allocated based on estimated costs of projects that:<br>○ fill identified gaps and are confirmed with the provincial departments responsible for sport and the municipalities<br>○ align to the National Sport and Recreation Plan, National Sport Facilities Plan and transformation imperatives<br>○ align to priority sport codes |
| **Reasons not incorporated in equitable share** | • This is a specific purpose grant with conditions, objectives and distribution criteria different from that of the equitable share |
| **Past performance** | **2023/24 audited financial outcomes**<br>• The MIG programme was allocated R16.3 billion, the entire amount was transferred and R15.7 billion (96 per cent) was reported as spent by municipalities at the end of the 2023/24 financial year |
| | **2023/24 service delivery performance**<br>• Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for:<br>○ 44 858 households provided with basic water and 41 476 households provided with sanitation services<br>○ 255 249 households provided with street and community lighting<br>• Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure):<br>○ 91 central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites developed<br>○ 157 sport and recreation facilities developed<br>○ 203 public facilities developed<br>○ 896 kilometres of municipal roads developed<br>• 168 972 FTEs created using the EPWP guidelines for the above outputs |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | **Direct transfers (Schedule 5, Part B)**<br>• 2025/26: R17.4 billion; 2026/27: R19.4 billion; and 2027/28: R20.2 billion<br>**Allocations in kind (Schedule 6, Part B)**<br>• 2025/26: R494 million |
| **Payment schedule** | • Transfers are made in accordance with a payment Schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national departments**<br>• DCoG administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must:<br>○ report to sector departments on outputs<br>○ monitor expenditure and non-financial performance in collaboration with provincial DCoGs<br>○ coordinate overall programme implementation<br>○ provide support to municipalities in the utilisation of the MIG-MIS<br>• For Schedule 6B allocations, DCoG must:<br>○ enter into an MoU with municipalities regarding the construction, ownership, funding arrangements, and operations and maintenance of proposed infrastructure prior to the commencement of construction<br>○ provide to National Treasury, detailed information on the selection criteria, and evidence of the approved capacity building plan<br>○ ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates<br>○ make payments to contracted Implementing Agent based on invoices for work done<br>• MISA must:<br>○ provide technical support and advice to municipalities that have been identified collaboratively with DCoG and its provincial counterparts as needing assistance<br>○ on behalf of and in collaboration with national and provincial DCoG's, conduct detailed municipal assessments of the municipalities identified for assistance, including innovative solutions, investigative lifecycle assessments of MIG projects, municipal MIG and sector performance, and |

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| | municipal project management functions, to identify detailed reasons for challenges affecting the implementation of MIG<br>o report all findings and recommendations for improvement to the identified municipalities, national and provincial DCoGs<br>o assist the municipal manager of each identified municipality, in collaboration with appropriate structures, including sector departments, to implement recommendations identified by MISA, for improvement, and supply formal progress reports<br>o recommendations may include improvements to municipal processes for planning, project prioritisation and selection. Recommendations may also include detailed planning, scoping, designing, scheduling, costing and procurement implementation<br>o provide and facilitate assistance, technical advice and expertise to identified municipalities for the use of alternative technology and good practices for MIG projects, including for feasibility studies, operations and maintenance and integrated infrastructure asset management<br>o partake in the assessment of the business plans for the asset management planning provision and make recommendations to the transferring officer<br>o support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B<br>• In addition to their sector-specific responsibilities, each national sector department will be expected to:<br>o provide information on service delivery priorities per municipality as expressed within sectoral plans and municipal IDPs<br>o fulfil a sectoral monitoring and guidance role on relevant sectoral outputs<br>o evaluate reports and provide final recommendations to the municipality by 15 September 2025<br>o Frequently update sector norms and standards (including mainstreaming disaster risk reduction) and confirm adherence thereto for MIG funded projects through the MIG registration process, which includes participation in the district appraisal processes<br>o confirm the current state of maintenance where municipalities have applied for funding of renewal projects<br>o advise which sphere (provincial or national even if different across provinces) should sign-off MIG projects and participate in MIG workflow processes<br>o sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended<br>• Department of Water and Sanitation must:<br>o support and monitor municipalities to prepare and implement water services development plans<br>o ensure alignment between the Regional Bulk Infrastructure Grant (RBIG) and the Water Services Infrastructure Grant (WSIG) with the MIG programme, Human Settlement Development Grant (HSDG) and Informal Settlement Upgrading Partnership Grant: Municipalities (ISUPG)<br>o for the MIG funding stream, monitor and oversee progress on water and sanitation projects implemented through the MIG<br>o promote the use of Innovative solutions in pre-feasibility, feasibility studies and in technical report(s)<br>o support the process of the development of water and sanitation infrastructure asset management plans and the updating and verification of asset registers<br>o support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B<br>• Department of Human Settlements must ensure alignment between the MIG programme, HSDG, ISUPG: Municipalities, RBIG and WSIG<br>• Department of Forestry, Fisheries and the Environment (DFFE):<br>o must support municipalities with planning and implementation of solid waste management projects and monitor their performance and compliance with conditions applicable to this sector<br>o the provincial DFFEs will be responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and national DFFE will provide final approval before submitting projects for registration in the MIG appraisal process<br>o support the process of the development of waste management infrastructure asset management plans and the updating and verification of asset registers<br>• Department of Electricity and Energy must:<br>o support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector<br>o support the process of the development of electricity community infrastructure asset management plans and the updating and verification of asset registers<br>• Department of Transport must:<br>o support municipalities with planning and implementation of municipal roads projects in terms of the RRAMS data and monitor municipalities' performance and compliance with conditions applicable to this sector<br>o support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B<br>• Department of Sports, Arts and Culture must:<br>o evaluate reports and provide final recommendations to the municipality by 15 September 2025 that will allow municipalities to submit project registrations for appraisal by 30 September 2025<br>o support municipalities with planning and implementation of municipal sport and recreation facilities and monitor municipalities' performance and compliance with conditions applicable to this sector<br>o review, approve and sign-off all MIG projects before recommendation by the provincial sports departments to the MIG appraisal committee<br>o support the process of the development of sport infrastructure asset management plans and the updating and verification of asset registers |

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| | ○ ensure alignment with the outcomes of the conditional grants review, specifically regarding the earmarked sports component in the grant, including the conclusion of sports infrastructure projects currently in the development stage and the avoidance of new commitments<br>• Department of Public Works and Infrastructure must:<br>○ monitor compliance with the EPWP infrastructure guidelines and advise municipalities on the use of labour-intensive processes, systems, techniques and approaches<br>○ monitor the number of work opportunities and FTEs created on MIG funded projects that contribute towards EPWP and assist municipalities in meeting their set targets<br>○ ensure that municipalities register their projects on the EPWP reporting system and monitor compliance with norms and standards applicable to this sector |
| | **Responsibilities of provincial departments**<br>• Coordinate technical support to municipalities<br>• Monitor performance of funding utilised to augment the Programme/Project Management capacity and recommend relevant sanctions for under-performance to DCoG<br>• Provide support to municipalities with the development of Infrastructure Asset Management Plans<br>• Provide assistance to municipalities in managing municipal infrastructure projects<br>• Provide support to municipalities in the utilisation of the MIG-MIS<br>• Monitor and reconcile reported expenditure with proof of payment signed-off by the municipality<br>• Monitor the accuracy of project registration forms, data generated through the MIG-MIS for monthly DoRA reporting, annual reports from municipalities and forward them to DCoG<br>• Coordinate district appraisal and progress committee meetings ensuring that DCoG and relevant sector departments are invited<br>• Issue registration letters for projects approved by the district appraisal committees to municipalities, copying DCoG<br>• Monitor project implementation in collaboration with sectors through Scheduled site visits with relevant stakeholders and compile relevant spot check reports<br>• Monitor the capturing of site visit reports by municipalities on the MIG-MIS<br>• Monitor compliance with provincial legislation and alignment to provincial growth and development strategies through project registration<br>• Facilitate the sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended on MIG-MIS |
| | **Responsibilities of provincial sector departments**<br>• Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs<br>• Provide technical advice as required by a municipality through the feasibility, planning, design, tender and construction phases of a MIG project<br>• Provide support to municipalities with the development of Infrastructure Asset Management Plans<br>• Participate in district appraisal and progress committee meetings<br>• Evaluate and provide recommendations on sector technical reports before projects are appraised<br>• Provincial departments of environment, forestry and fisheries are responsible for providing recommendations on the TAR for the purchasing of specialised waste management vehicles and the national DFFE must provide final approval before submitting projects for registration in the MIG appraisal process<br>• Facilitate the sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended on MIG-MIS<br>• Support the DCoG will the identification of Schedule 6B projects |
| | **Responsibilities of municipalities**<br>• Municipalities must ensure appropriate programme and project planning and implementation readiness prior to the year of implementation, and this must be informed by the IDP and three-year capital programme<br>• Municipalities must certify compliance to the provision of 2025 Division of Revenue Act after the Schedule of transfers has been communicated by DCoG and before the first transfer is made to the municipality by DCoG<br>• Municipalities must have appropriate capacity to implement the MIG, this must be supported by the human resource plan of the municipality<br>• Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered on the MIG-MIS<br>• The municipality must comply with the submission of monthly and quarterly reports through the MIG-MIS and the annual reports in the prescribed formats and timelines, reports must be signed-off by the Municipal Manager or the delegated official and submitted to national government via the provincial department responsible for local government<br>• Compulsory use of the MIG-MIS to inform the content of the reports mentioned above<br>• Municipalities must capture project site visit reports as part of the portfolio of evidence to support claims<br>• Ensure that the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects |

| Municipal Infrastructure Grant | |
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| **Process for approval of 2026/27 business plans** | **Schedule 5, Part B**<br>• Municipalities must submit all technical reports to the sector departments responsible for water, sanitation, solid waste, sport and recreation, roads and transport by 31 July 2025 for all projects to be implemented in 2026/27<br>• The responsible sector department must evaluate reports and provide final recommendations to the municipality by 15 September 2025<br>• When projects are registered for 2026/27, the municipality must identify how each MIG infrastructure project is aligned to and/or supports their local economic development strategy<br>• The municipality must submit all project registration forms by 30 September 2025, for the projects to be implemented in 2026/27, to the provincial department responsible for local government<br>• The provincial departments must provide final recommendations to municipalities by 2 December 2025<br>• Municipalities must submit to DCoG by 30 January 2026, detailed project implementation plans for all the projects to be implemented in the 2026/27 and 2027/28 financial years<br>• Such plans should include timelines regarding project designs, initiation of procurement, and environmental impact assessment (EIA) and/or relevant permit/license approvals in the prescribed format<br>• Municipalities must submit updated implementation plans (as described above) by 29 April 2026, justifying any changes from the 30 January 2026 submission<br>• MISA must review and sign-off on technical and business plan reports of municipalities identified collaboratively between MISA and DCoG and its provincial counterparts as needing assistance [before submission to sector departments or Acquisition Committees], thereby acknowledging the appropriate use of alternative technology and good practices for MIG projects, including for feasibility studies, labour-intensive construction, operations and maintenance and integrated infrastructure asset management<br>**Schedule 6, Part B**<br>• DCoG will assess municipalities on the following criteria for inclusion in 2025/26 to identify municipalities for possible conversion of Schedule 5B allocations to Schedule 6B:<br>o municipalities with DWS and DFFE directives/non-compliance/criminal charges on the poor state of water, sanitation and solid waste management infrastructure<br>o actual expenditure reported by municipalities on repairs and maintenance from the previous financial year is lower than 2 per cent of the value of the municipality's Property, Plant and Equipment (PPE)<br>o extent of non-revenue water as reported in the audited municipal annual financial statements (AFS) Where non-revenue water is in excess of 30 per cent and not decreasing from year-to-year, the municipality shall be determined to be failing to manage its water supply<br>o Perennial poor performer of MIG - low MIG expenditure performance over the last three municipal financial years (spent on average 80 per cent and less against the originally annually allocated MIG (before adjustments) over the last two years (2021/22 – 2023/24)<br>• DCoG will notify relevant municipalities by March 2025 on the analysis results, DCoG and relevant municipalities must enter into an MoU and agree on a capacity building plan before any project is implemented<br>• DCoG to prepare an implementation plan based on the converted funding specifying the agreed projects to be implemented per municipality by 30 April 2025. The affected municipalities will align their 2025/26 implementation plans in line with their converted 2025/26 MIG allocations to be submitted to DCoG by 30 April 2025 |

# ELECTRICITY AND ENERGY GRANTS

| Energy Efficiency and Demand Side Management Grant | |
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| **Transferring department** | • Electricity and Energy (Vote 10) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To reduce electricity consumption by promoting energy efficient practices |
| **Grant purpose** | • To provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency |
| **Outcome statements** | • Reduced demand for electricity<br>• Increased awareness of energy saving<br>• Skills development in energy efficiency<br>• Energy management capability enhanced |
| **Outputs** | • Amount of electricity saved in kilowatt hours (KWh)<br>• Number of energy efficient streetlights installed<br>• Number of energy efficient traffic lights installed<br>• Number of buildings retrofitted<br>• Number of units of water services infrastructure retrofitted<br>• Number of work opportunities created for young graduates |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Projected energy savings<br>• Key activities<br>• Inputs |
| **Conditions** | • Funds can only be used to implement electricity-saving projects in municipal infrastructure<br>• The focus for implementation of energy efficiency interventions is limited to municipal building infrastructure, streetlights, traffic lights, wastewater treatment works and pump stations<br>• Municipalities must determine a detailed and extended electricity consumption baseline in line with South African Standards (SANS 5002 and SANS 50010) and in the format pre-determined by the Department of Electricity and Energy (DEE)<br>• Municipalities must respond to the request for proposals issued by the DEE and in the format provided<br>• Municipalities must commit to energy savings (in KWh) to be achieved from the implementation of EEDSM interventions to the DEE<br>• A performance agreement with specific conditions shall be entered into between the municipality and the DEE<br>• Municipalities shall prepare a project work plan and business plan in the templates provided by the DEE<br>• Municipalities shall ensure that the procurement of technologies required for the implementation of EEDSM measures are procured in accordance to the approved and/or recommended standardised technical specifications, and in the panel of energy efficient technology suppliers appointed by the transferring officer<br>• Municipalities may apply to the transferring officer, by no later than 31 July 2025 to utilise a maximum of 15 per cent of the total annual allocation to undertake specified planning activities to embed the Mitigation Action Facility (formerly Vertically Nationally Appropriated Mitigation Action (V-NAMA) project, provided that these conform to the list of eligible activities identified by the transferring officer, including:<br>o investment pipeline development (excluding direct project preparation)<br>o development of infrastructure financing strategies and instruments<br>o utilisation of a minimum of 50 per cent capital expenditure as co-funding for the Mitigation Action Facility projects<br>• Promote labour intensive methods in the implementation of EEDSM projects through the employment of young graduates |
| **Allocation criteria** | • The following criteria are used for selecting municipalities to receive allocations from the grant:<br>o municipalities that have responded to the request for proposals as issued by the DEE<br>o municipalities with higher electricity consumption and higher electricity saving potential<br>o municipalities with clearly defined objectives on energy efficiency improvements<br>o proposals that use proven energy efficient technologies with low pay-back periods<br>o municipalities that are participating in the Mitigation Action Facility Support Project<br>o municipalities that show readiness and capacity to implement EEDSM projects<br>o good past performance if a municipality has previously participated in the programme<br>o quality, viability and financial feasibility of proposed projects |
| **Reasons not incorporated in equitable share** | • This is a specific conditional grant in support of the EEDSM programme |
| **Past performance** | **2023/24 audited financial outcomes**<br>• R223 million was allocated and transferred to participating municipalities, and R216 million was spent by end of 2023/24 financial year |
| | **2023/24 service delivery performance**<br>• A total electricity saving of 16 GWh per annum was reported by municipalities against the total projected electricity consumption baseline of 21.57 GWh per annum |

| Energy Efficiency and Demand Side Management Grant | |
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| **Projected life** | • The grant will continue until 2025/26, after which it will be merged into the Integrated National Electrification Programme (INEP) Grant |
| **MTEF allocations** | • 2025/26: R246 million; 2026/27: R258 million; and 2027/28: R269 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by the National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Monitoring and evaluation of the EEDSM programme including technical auditing, measurement and verification of energy savings<br>• Make available to municipalities, the technology technical specifications guideline and support them through capacity building workshops on best practices for EEDSM projects<br>• Communicate to municipalities the process and requirements for obtaining EEDSM grant funds and the requirements for projects implementation in 2026/27<br>• Appoint a panel of suppliers of energy efficient technologies to support municipalities during the implementation of EEDSM projects<br>• Put in place measures to ensure the grant stimulate job creation and contributes to economic development<br>• Provide technical support to municipalities participating in the Mitigation Action Facility Support Project of South Africa |
| | **Responsibilities of municipalities**<br>• Submit proposals as per the request for proposals issued by DEE<br>• Ensure that proposals are in the format and template provided by DEE<br>• Implement the EEDSM programme as per the framework and contractual agreement<br>• In the implementation of EEDSM projects, ensure that the procurement of EEDSM technologies is sourced from a panel of energy efficient technology suppliers appointed by DEE<br>• In the implementation of the EEDSM projects, ensure the employment of young graduates is part of job creation<br>• Submit to the DEE the energy consumption baseline data and a business plan in the format or template pre-defined by DEE and signed by the Municipal Manager by 30 June 2025<br>• Submit to the DEE the monthly and quarterly reports approved by the Municipal Manager<br>• In a case where a municipality delegates the implementation of the programme to its entity (i.e. Johannesburg City Power, Mangaung CENTLEC, etc.) such an entity shall enter into an implementation contract with the municipality for the purposes of reporting and accountability. A copy of this implementation contract must be shared with DEE |
| **Process for approval of 2026/27 business plans** | • Business plans and electricity baseline data should be submitted to the DEE by 30 June 2025<br>• Business plans will be evaluated in accordance with the predefined criteria and the EEDSM objective (meaning projects should focus on energy efficiency improvement and will yield electricity demand reduction)<br>• Projects can only be implemented once the approval of the business plan is granted |

| Integrated National Electrification Programme (Eskom) Grant | |
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| **Transferring department** | • Electricity and Energy (Vote 10) |
| **Grant schedule** | • Schedule 6, Part B |
| **Strategic goal** | • To increase access to electricity through funding of alternative energy technologies, household connections and distribution bulk infrastructure (substations, medium and high voltage lines) to ensure constant supply of electricity |
| **Grant purpose** | • To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to Eskom to increase access to electricity, existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure in Eskom licenced areas |
| **Outcome statements** | • A reduction in household electrification backlogs<br>• Universal access to electricity and improvement in distribution infrastructure reliability |
| **Outputs** | • The number of household connections per annum<br>• The number of installations with alternative energy technologies per annum<br>• The number of substations completed<br>• Kilometres of medium voltage lines completed<br>• Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Inputs<br>• Output indicators<br>• Key activities |
| **Conditions** | • Plans need to have undergone pre-engineering and project feasibility and be approved by the Director-General of the Department of Electricity and Energy (DEE) prior to implementation<br>• Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) before being approved for INEP (Eskom) grant funding<br>• Eskom must submit to DEE letters signed by municipal accounting officers to demonstrate that the municipalities are in agreement with the projects to be undertaken<br>• Eskom to comply with the DEE's requirements to provide approved bulk projects in their business plans<br>• Eskom must spend at least 40 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred<br>• By 30 December 2025, Eskom must have spent at least 60 per cent of their total INEP allocation, where allocations are equal or less than R2.3 billion<br>• All assets constructed through this grant must be ring-fenced on Eskom's asset register as government assets and Eskom will be responsible for the operations and maintenance of these assets<br>• Eskom must adhere to labour-intensive construction methods in terms of the EPWP guidelines for activities such as trenching and planting of poles including the promotion of companies owned by vulnerable groups<br>• Ensure effective management of the Eskom municipality debt problem to prevent adverse effects on the implementation of the INEP |
| **Allocation criteria** | • Allocations to Eskom are made on behalf of municipalities based on applications from Eskom to the Department for all municipalities (licensed and non-licensed) according to the following criteria:<br>o high backlogs<br>o rural bias<br>o integration with other programmes such as the district development model, the National Development Plan, catalytic projects, and mining towns<br>o the cost of a project is within benchmarked norms and standards<br>o the project is aligned with the IDP for a particular municipality |
| **Reasons not incorporated in equitable share** | • This is a specific conditional capital transfer for electrification of households and bulk infrastructure |
| **Past performance** | **2023/24 audited financial outcomes**<br>• The grant was allocated R3.5 billion and the entire amount was transferred to Eskom, of which R2.2 billion was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 114 800 connections were completed at the end of the financial year (includes connections funded from roll-overs) |
| **Projected life** | • The grant will continue until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R2.3 billion; 2026/27: R2.4 billion; and 2027/28: R2.5 billion |
| **Payment schedule** | • Payments are made in accordance with a payment schedule approved by National Treasury |

| Integrated National Electrification Programme (Eskom) Grant | |
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| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Review and approve Eskom's outputs and targets<br>• Continuously monitor implementation<br>• Provide central coordination for bulk infrastructure<br>• Approve submissions for refurbishment of critical infrastructure |
| | **Responsibilities of Eskom**<br>• The maximum size of supply is 2.4 kVA, after diversity maximum demand, 20 Amp per household connection, in line with the Suite of Supply within the INEP Handbook Guideline (2022)<br>• Implement INEP according to the approved implementation guidelines<br>• Report to the DEE and the National Treasury on monthly and quarterly progress on financial and non-financial performance of the grant<br>• Report accurately and timeously on EPWP information |
| **Process for approval of 2026/27 business plans** | • Eskom and the DEE must ensure that all planned projects are in line with municipal IDPs and priority lists<br>• Eskom and the DEE must ensure that planned projects are feasible and have gone through the pre-engineering process by 31 October 2025 |

| Integrated National Electrification Programme (Municipal) Grant | |
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| **Transferring department** | • Electricity and Energy (Vote 10) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To increase access to electricity through funding of alternative energy technologies, household connections and distribution bulk infrastructure (substations, medium and high voltage lines) to ensure constant supply of electricity |
| **Grant purpose** | • To implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to increase access to electricity, existing and planned residential dwellings (including informal settlements, farm dwellers, new and existing dwellings) and the installation of relevant bulk infrastructure |
| **Outcome statements** | • A reduction in household electrification backlogs<br>• Universal access to electricity |
| **Outputs** | • The number of connections to households per annum<br>• The number of installations with alternative energy technologies per annum<br>• The number of substations completed<br>• Kilometres of medium voltage lines completed<br>• Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Key activities<br>• Inputs (resources) |
| **Conditions** | • Municipalities must submit electrification business plans for bulk infrastructure to be registered with INEP and abide by the advice or guidance of the Department of Electricity and Energy (DEE) regarding the central planning and co-ordination for such bulk infrastructure<br>• Municipalities must provide the DEE with a detailed project implementation plan during the first quarter of the municipal financial year<br>• Bulk infrastructure can only be funded for infrastructure serving poor households (where infrastructure serves tariff-funded areas and poor households, costs should be shared)<br>• INEP funds may be used for the refurbishment of critical infrastructure, only upon approval of a business plan submitted to the DEE<br>• Municipalities must utilise their own funding if the subsidy is insufficient<br>• Projects should be implemented as per the contract agreed between the DEE and the municipality, any deviations from the contract must be communicated to the DEE for approval<br>• No contracts will be signed unless all the annexures are submitted by end April 2025<br>• No reimbursement will be made for projects that have been implemented without the prior approval by the DEE<br>• Funds may only be used in line with the approved project implementation plan<br>• Municipalities must spend at least 50 per cent of their previous transfer and comply with reporting provisions before the second and subsequent transfers are made<br>• The maximum size of supply is 2.4 kVA after diversity maximum demand, standard installation of 20 Amp per household connection, in line with the Suite of Supply within the INEP Handbook Guideline (2022)<br>• For projects that the municipality is planning to execute in the outer year, the DEE will fund the pre-engineering amount according to the Engineering Council of South Africa guidelines on professional fees<br>• Municipalities must adhere to labour intensive construction methods in terms of the EPWP guidelines for activities such as trenching and the planting of poles, including the promotion of companies owned by vulnerable groups<br>• Municipalities creating assets under the Eskom area of supply should enter into a Service Level Agreement with respect to the operations and maintenance of the asset |
| **Allocation criteria** | • Allocations are based on an assessment of applications from local municipalities based on:<br>o high backlogs<br>o rural bias<br>o number of planned households per project<br>o past performance<br>o integration with other programmes such as the district development model, the National Development Plan, catalytic projects, and mining towns<br>o the financial, technical and staff capabilities to distribute electricity and expand and maintain networks<br>o consultation with communities through the Integrated Development Plan (IDP) process<br>o ensuring that universal access objectives are fast-tracked<br>o connecting informal settlements where service delivery has been prioritised<br>o new and upgrading of bulk infrastructure projects that support future electrification needs, and for refurbishment projects, where distribution network reliability adversely impacts economic activity and cannot sustain current electrification |

| Integrated National Electrification Programme (Municipal) Grant | |
|---|---|
| **Reasons not incorporated in equitable share** | • This is a specific conditional capital transfer for electrification of households |
| **Past performance** | **2023/24 audited financial outcomes**<br>• R2 billion was allocated and transferred to municipalities; and R1.7 billion was spent |
| | **2023/24 service delivery performance**<br>• 56 301 households were connected including connections funded from roll-overs |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R1.7 billion; 2026/27: R1.7 billion; and 2027/28: R1.7 billion |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Agree with municipalities on outputs and targets<br>• Continuously monitor implementation and provide support to municipalities<br>• Verify reports from municipalities<br>• Ensure that the payment schedule is aligned to the timelines for projected expenditure on each project<br>• Enter into the Memorandum of Agreement (MoA) with municipalities |
| | **Responsibilities of municipalities**<br>• Municipalities must appoint service providers by 01 July 2025<br>• Ensure that projects are implemented in line with what is reflected in the IDP of the municipality<br>• Report accurately and timeously on the management of this grant and include invoices and EPWP information on their monthly reports, when reporting to the DEE<br>• Appoint service providers during the last quarter of the 2025/26 financial year for projects to be funded in 2026/27<br>• Maintain and operate electricity infrastructure in line with licence conditions<br>• Agree and sign the addendum with the transferring officer after the reallocation of funds |
| **Process for approval of 2026/27 business plans** | • Application forms are sent to municipalities and the evaluation of all applications and business plan proposals received from municipalities is completed by 31 October 2025 |

## HUMAN SETTLEMENTS GRANTS

| Informal Settlements Upgrading Partnership Grant: Municipalities | |
|---|---|
| **Transferring department** | • Human Settlements (Vote 33) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • The creation of sustainable and integrated human settlements that enable improved quality of household life |
| **Grant purpose** | • To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to the upgrading of informal settlements |
| **Outcome statements** | • Adequate housing in improved quality living environment<br>• Enhanced institutional capabilities for effective coordination of spatial investment decisions<br>• Security of tenure |
| **Outputs** | • The grant shall fund the outputs defined in Phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009<br>**Social Facilitation:**<br>• Number of informal settlements where community compacts were conducted<br>**Phase 1**<br>• Number of pre-feasibility studies conducted<br>• Number of informal settlements re-blocked<br>**Phase 2**<br>• Hectares of land acquired<br>• Number of informal settlements benefitting from rudimentary services/interim municipal engineering services and/or any alternative technology<br>• Number of engineering designs: water, sewer, roads and storm water drainage concluded<br>• Number of layout plans approved<br>**Phase 3**<br>• Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services<br>• Number of informal settlements supplied with bulk infrastructure projects<br>• Number of serviced sites developed<br>• Number of socioeconomic amenities delivered<br>• Number of sites transferred to end users<br>• Number of township establishments registered |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant requires municipalities to attain municipal council approval on informal settlements to be upgraded in the 2025/26 financial year<br>• A municipality must submit a business plan prepared in terms of the requirements of the template determined by the DHS<br>• Municipalities must submit an informal settlements upgrading business plan in line with the UISP in the National Housing Code for each settlement to be upgraded which includes:<br>o project description<br>o settlement name and global positioning system coordinates<br>o project institutional arrangements<br>o outputs and targets for services to be delivered<br>o cash flow projections<br>o procurement plan<br>o risk management plan<br>o number of re-blocking projects to be undertaken<br>• Number of jobs opportunities to be created<br>• Detailed project plans to be submitted for bulk infrastructure projects<br>• Professional fees including details of planning activities to be undertaken |
| **Conditions** | • Funds for this grant should be aligned to the priorities set out in the 2024-2029 Medium Term Development Plan for human settlements<br>• A minimum of 70 per cent of the annual allocation must be used for serviced sites<br>• All projects that are listed in the business plan must be ready for implementation, registered on the Housing Subsidy System<br>• Funds may only be used for disaster relief interventions in informal settlements based on a plan approved by the DHS<br>• Funds should be utilised as per the UISP as defined in the National Housing Code<br>• Business plans must be informed by the Municipal Informal Settlements Upgrading Strategy, which has to be aligned to the Provincial Informal Settlement Upgrading Strategy<br>• Draft and final business plans must be aligned to municipal Integrated Development Plans<br>• Municipal managers must sign-off and confirm that projects captured in business plans are ready for implementation in the 2025/26 financial year and will yield the expenditure as per cashflows submitted<br>• Final business plans must be submitted by 02 June 2025<br>• Municipalities should only implement projects in the approved upgrading plans and any deviation from the approved upgrading plans should be sought from the DHS |

| Informal Settlements Upgrading Partnership Grant: Municipalities | |
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| | • Municipalities should ensure alignment between the infrastructure grants (provision of bulk) and the ISUPG<br>• Municipal managers must sign off and confirm that projects captured in their informal settlements upgrading plans are assessed and approved for implementation in the 2025/26 financial year<br>• The transfer of the first tranche of funds is conditional upon the Transferring Officer of national Department of Human Settlements (DHS) approving the business plan and informal settlements upgrading plans per settlement consistent with the provisions of the Housing Act, and in compliance with the National Housing Code<br>• The flow of the second tranche will be conditional upon the:<br>o submission of the first quarter report, in line with the requirements of the Municipal Finance Management Act (MFMA) circular 88, signed off by the accounting officer of the municipality<br>o submission of the report with financial and non-financial information aligned to the approved upgrading plans<br>• The flow of the third tranche will be conditional upon submission of second quarter (both financial and non-financial) performance information, in line with the requirements of MFMA circular 88<br>• If a municipality is allocated additional funding or its funds are stopped and reallocated to another municipality, a revised business plan must be submitted for subsequent reporting<br>• The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved upgrading plans<br>• A maximum of 3 per cent of a municipality's allocation may be utilised for the Operational Support Capital Programme as per the Operational Support Capital Programme Policy of the DHS<br>• A maximum of 3 per cent of the total allocation should be earmarked for social facilitation<br>• A maximum of 5 per cent of the annual allocation should be used for re-blocking<br>• Municipalities are allowed to shift budget between projects in the business plan provided that no new projects are introduced into the business plan in year without the approval of the transferring officer |
| **Allocation criteria** | • The grant is allocated to all metropolitan municipalities<br>• These funds are determined through the USDG allocation formula |
| **Reasons not incorporated in equitable share** | • This is a conditional grant with a specific purpose to provide for the upgrading of informal settlements and other related aspects thereto |
| **Past performance** | **2023/24 audited financial outcomes**<br>• R4.1 billion was allocated and transferred to municipalities; and R4.1 billion (100 per cent) was spent |
| | **2023/24 service delivery performance**<br>• Service delivery performance is as indicated in the performance evaluation report for 2023/24 |
| **Projected life** | • This grant will continue until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R4.7 billion; 2026/27: R4.9 billion and 2027/28: R5.2 billion |
| **Payment schedule** | • Transfers will be made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Receive, assess and make determinations on the credibility of municipal informal settlements upgrading plans and the implementation readiness of projects captured therein<br>• Maintain the policy and programme and assist with interpretation<br>• Monitor and evaluate municipal financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the UISP<br>• Provide implementation assistance support to municipalities as may be required<br>• Undertake structured and other visits to municipalities as is necessary<br>• Facilitate structured intergovernmental forums for regular interaction with municipalities<br>• Identify lessons from the preparation and implementation of this window and use these to inform the design of the proposed new grant for informal settlement upgrading<br>• The transferring officer should design and distribute a template, before 1 July 2025, to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities<br>• Use the grant to leverage other forms of funding<br>• Prioritise the gazetted priority projects |
| | **Responsibilities of municipalities**<br>• Municipalities should ensure collaboration and involvement of communities and civil organisations in the signing of implementation protocols for projects to be implemented<br>• Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department<br>• Develop long term municipal wide informal settlements upgrading strategy that will influence the annual business plan<br>• Request assistance from the provincial department on any of the matters concerned if the municipality lacks the capacity, resources or expertise<br>• Should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule<br>• Should ensure that they only implement the programmes in the approved business plans<br>• Municipalities must align their business plan with Municipal housing chapters of IDPs and Infrastructure Reporting Model (IRM) in terms of section 13(1)(a) of this Act<br>• Implement approved projects in accordance with the UISP in the National Housing Code of 2009<br>• Fast-track the planning approval processes for informal settlements upgrading projects |

| Informal Settlements Upgrading Partnership Grant: Municipalities | |
|---|---|
| | • Assume ownership of the engineering services installed<br>• Manage, operate and maintain settlement areas developed under this programme<br>• Coordinate and facilitate the provision of bulk and connector engineering services (including through funding from the main USDG)<br>• Submit a report on the status of informal settlements in their municipal area and their categorisation (in terms of the National Upgrading Support Programme's methodology) to DHS by 29 May 2025<br>• Identify lessons from the implementation of this grant and share these with DHS<br>• Municipalities should submit a signed letter by a municipal manager or a delegated person, as an attachment to the monthly and quarterly reports<br>• Detailed performance report per settlement (i.e., project level performance) report for phase 1-3 aligned to the business plan must be submitted quarterly<br>• Municipalities must adhere to section 16 of the DoRA if they are planning to appoint any other organ of state to implement human settlements projects on their behalf<br>• Municipalities must utilise the ISUP grant to leverage alternative financing mechanisms/instruments Municipalities must report quarterly on projects funded, in line with the requirements of the MFMA circular 88. Reporting must include financial and non-financial performance on progress against the UISP plans, using the template prescribed by the DHS<br>• Municipalities must report on the percentage of their allocations awarded to companies owned by designated groups on a monthly and quarterly basis<br>• Municipalities must submit financial performance reports by no later than 10 working days after the end of each month<br>• Each informal settlement should have a project specific upgrading plan available upon request by the DHS<br>• Should on quarterly basis, report on the number of job opportunities created<br>• Municipalities must submit monthly reports that include the outcome/effectiveness of the utilisation of the approved OPSCAP budget |
| **Process for approval of 2026/27 business plans** | • Municipalities must submit a comprehensive draft ISUPG plan (based on MFMA circular 88 indicators) with targets aligned to the MTDP, IDP and SDBIP and a draft and or approved municipal budget to the transferring officer for comment, by 24 March 2026<br>• The DHS will provide feedback on the draft business plans by 30 April 2026<br>• Final business plans must be submitted by no later than 15 June 2026 |

| Urban Settlements Development Grant | |
|---|---|
| **Transferring department** | • Human Settlements (Vote 33) |
| **Grant schedule** | • Schedule 4, Part B |
| **Strategic goal** | • The creation of sustainable, reliable, quality infrastructure asset base to enable the development of integrated urban settlements that enable improved quality of household life |
| **Grant purpose** | • To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development |
| **Outcome statements** | • The outcomes to be realised in order to promote integrated sustainable urban settlements and improved quality of living environments are as follows:<br>o supporting inclusive densification and transit-oriented urban development, integrating existing and new urban developments<br>o increased investment in existing and new bulk and distribution for urban developments<br>o quality of water and sanitation, electricity and energy, and solid waste management services<br>o increased bulk infrastructure capacity for municipal services<br>o provide opportunities for leveraging of public funding within partnerships that promote integrated mixed-income and mixed-use urban development projects and funding for broader urban development<br>o provision of resources for sustainable community development for social and economic infrastructure and meaningful participation |
| **Outputs** | • The following outputs should be funded by the grant to support the improvement of the overall built environment:<br>o increased annual investment in renewal (rehabilitation and/or replacement) and expansion in municipal bulk and distribution infrastructure<br>o increase in municipal bulk and link infrastructure<br>o increase in access to public and socio-economic amenities<br>o construction/provision of internal engineering services, including backyarders and densification overlay zones<br>o increase in land provision for subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation<br>• Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses the Urban Settlements Development Grant (USDG) plan (containing a project list with project names, project descriptions, infrastructure classification, Geographic Information System (GIS) coordinates and wards in which projects are being developed. The USDG plan is consistent with the Integrated Development Plan (IDP), including the human settlements chapter of the IDP, and the Service Delivery and Budget Implementation Plan (SDBIP) of the receiving municipality<br>• Name of the grant or fund for which USDG acts as supplementary, per project<br>• Approved project budget and total project expenditure to date<br>• Professional fees including details of planning activities to be undertaken |
| **Conditions** | • Municipalities must submit a USDG plan that is aligned to the SDBIP, IDP and the One Plan in pilot areas for the District Development Model to the national Department of Human Settlements (DHS) and National Treasury<br>• The annual USDG plan must contain a project list with project names, project descriptions, classification of infrastructure, GIS coordinates and wards in which projects are being developed. The submission should include motivations of how the projects will benefit poor households and information on spatial targeting, co-funding and other associated investments<br>• Municipalities must prioritise the completion of existing critical water, sanitation, roads, storm water and electricity projects by the end of the 2026/27 financial year<br>• The flow of the first tranche is conditional upon:<br>o approval of the municipal USDG business plan by the DHS<br>o submission of the 2024/25 third quarter financial performance signed off by the municipal accounting officer or duly delegated official and non-financial information in line with the requirements set out in the Municipal Finance Management Act (MFMA) circular 88<br>o submission of a final USDG plan that is aligned to the municipal IDP, SDBIP and national priorities by 15 April 2025<br>• The flow of the second tranche will be conditional upon the submission of the 2024/25 fourth quarter financial performance signed off by the municipal accounting officer and/or duly delegated authority and non-financial information as per the requirements set out in the MFMA circular 88<br>• The flow of the third tranche will be conditional upon submission of second quarter financial performance signed off by the municipal accounting officer or duly delegated authority and non-financial information as per the requirements set out in the MFMA circular 88<br>• A maximum of 3 per cent of the USDG may be used to procure capacity to support the implementation of USDG human settlements programme outputs as contained in the Medium-Term development plan (MTDP) and in line with the capacity building guideline issued by DHS<br>• Municipalities must indicate the amounts of their annual allocations for spending on the identified national priority projects as approved by the National Department<br>• Municipalities must prioritise the implementation of projects that are in the gazetted Priority Human Settlements and Housing Development Areas subject to these projects being included in the municipal IDP<br>• Municipalities may request in writing to the transferring officer to amend the approved business plans during the mid-term adjustment period. Approval is subject to the transferring officer's concurrence. The following factors must be taken into consideration in the amendment of the business plans: |

| Urban Settlements Development Grant | |
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| | ○ the total grant allocation and delivery targets should be maintained unless the allocation has been stopped or reallocated in terms of sections 18 and 19 of the 2025 Division of Revenue Act (DoRA)<br>○ no new projects are to be introduced into the business plan without approval by the transferring officer<br>• With approval by the transferring officer, municipalities may utilise funding for the procurement of specialised waste management vehicles servicing the poor. Municipalities must complete a technical assessment report (TAR) which must comply with the norms and standards for specialised waste management vehicles. The TAR must demonstrate that funds will solely be used for the expansion of waste management services to poor households previously under- serviced<br>• An amount of R963 million in 2025/26 is ring-fenced for the City of Johannesburg's Lufhereng Mixed Use Development Programme approved through the Budget Facility for Infrastructure<br>• Should there be a cost variation of more than 10 per cent on the Budget Facility for Infrastructure funded project, the City of Johannesburg is required to inform the National Treasury and the transferring officer within 30 days of confirming the cost variation<br>**Trading Services Financing Component**<br>• A minimum of 56 per cent of the USDG should be allocated to water and sanitation, electricity and energy, and solid waste management services capital infrastructure projects aligned to metro-approved trading services investment plans<br>• Municipalities must submit, by 31 July 2025:<br>○ council approved turnaround strategies for the relevant trading service<br>○ accounting officer approved institutional road map for the relevant trading service<br>○ accounting officer approved business and investment plan for the relevant trading service |
| **Allocation criteria** | • The grant is allocated to all metropolitan municipalities<br>• The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2025 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data<br>• The BFI allocations ring-fenced in this grant are application-based |
| **Reasons not incorporated in equitable share** | • This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria (including infrastructure backlogs) different to those of the equitable share |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R7.6 billion allocated and transferred to municipalities; and R7.5 billion was spent |
| | **2023/24 service delivery performance**<br>• Service delivery performance is as indicated in the performance evaluation reports for 2023/24 |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R9.2 billion; 2026/27: R9.8 billion; and 2027/28: R9.3 billion |
| **Payment schedule** | • Transfers will be made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Develop indicators for the outcomes and outputs<br>• Convene a structured forum to meet with municipalities on a quarterly basis<br>• Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities<br>• Provide support to municipalities with regard to human settlement programmes including but not limited to oversight visits to municipalities as may be necessary, facilitate strategic and spatial planning support related to urban development<br>• Publish a guideline by 31 March 2025 on how municipalities should use capacity funds from this grant<br>• Ensure collaboration between provinces and municipalities to promote area-based planning, budgeting and funding alignment as well as implementation support, where applicable<br>• Coordinate and facilitate interaction between national departments, state-owned enterprises, other relevant entities of the state, provincial departments of human settlements and participating municipalities, on a quarterly basis<br>• Participate in the municipal budget benchmarking process as and when indicated by the National Treasury<br>• The transferring officer should design and distribute a template by 1 July 2025 to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities<br>• The review of revised business plans must be finalised by the DHS within 14 days of submission by the municipality<br>• Use this grant to leverage alternative financing mechanisms/instruments |
| | **Responsibilities of other national sector departments**<br>• The Department of Electricity and Energy, Department of Water and Sanitation, Department of Environment, Forestry and Fisheries and the Department of Transport must all provide technical advice and support relevant to their sectors and monitor the performance of municipalities in line with the requirements set out in the MFMA circular 88<br>• National Treasury will issue guidance notes, on requirements for turnaround strategies, institutional reforms and business plans for the trading services financing component |
| | **Responsibilities of municipalities**<br>• Complete the business plan template and ensure accurate information and data is provided<br>• Metropolitan municipalities may replace non-performing projects with performing projects providing a similar infrastructure that fulfils the same policy objectives. The performing projects should be from the approved business plans and the replacement should not jeopardise the achievement of the overall MTSF targets committed to by the municipality |

| Urban Settlements Development Grant | |
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| | • Changes to the project list of the approved business plan and within the same and related function must be reported quarterly to the DHS in writing and provide all the relevant details of the new project within 30 days after the end of the quarter<br>• Comply with the terms and conditions of the receiving officer outlined in the 2025 DoRA<br>• Ensure effective and efficient utilisation of the grant and alignment to the purpose and outputs of the grant<br>• Ensure compliance with required intergovernmental forums, reporting, and accountability frameworks for human settlements<br>• Ensure that the USDG is used to meet municipal priorities<br>• Municipalities should submit a signed letter by a municipal manager or a delegated authorised person as an attachment to the monthly and quarterly reports<br>• Municipalities must report on the percentage of their allocations spent on service provided by companies owned by designated groups on a quarterly basis<br>• Municipalities must adhere to section 16 of the 2025 DoRA<br>• Municipalities must report quarterly on projects funded, in line with the requirements of the MFMA circular 88. Reporting must include financial and non-financial performance on progress against UISP plans, using the template prescribed by the DHS<br>• Municipalities must submit the financial performance reports within 10 working days after the end of the month<br>• Use this grant to leverage alternative financing mechanisms/instruments<br>• Municipalities must submit monthly reports that include the outcome/effectiveness of the utilisation of the approved OPSCAP budget |
| **Process for approval of 2026/27 business plans** | • Municipalities must submit a comprehensive draft USDG plan (based on MFMA circular 88 indicators) with targets aligned to the MTDP, IDP and SDBIP and a draft and/or approved municipal budget to the transferring officer for comment, by 24 March 2026<br>• The final business plans must be submitted by 15 May 2026<br>• The business plan will be finalised before the start of the municipal financial year |

## NATIONAL TREASURY GRANTS

| Infrastructure Skills Development Grant | |
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| **Transferring department** | • National Treasury (Vote 8) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To improve infrastructure delivery management capacity within municipalities by developing a long-term and sustainable pool of registered professionals with built environment and related technical skills in engineering, town and regional planning, quantity surveying, geographic information systems and project management |
| **Grant purpose** | • To recruit unemployed graduates into municipalities to be trained and professionally registered as per the requirements of the relevant statutory councils within the built environment |
| **Outcome statements** | • Developed technical capacity within local government to enhance infrastructure provision, and service delivery, through improved infrastructure planning, implementation, operations and maintenance<br>• Registered professionals with built environment qualifications (national diploma and/or degree) as per the statutory councils' requirements<br>• Increased number of qualified and registered professionals employed within local government |
| **Outputs** | • Number of built environment graduates registered as candidates for training and professional development as per requirements of the relevant statutory councils<br>• Number of graduates recognised as registered professionals by the relevant statutory councils<br>• Number of graduates employed as registered professionals within the built environment in local government |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | • The business plan must demonstrate that the municipality has projects in which the graduates can be trained, and provide the relevant complexity of work and responsibility that can support graduates to meet the registration requirements of the relevant statutory councils and the budget must be clearly outlined<br>• Municipalities must have a Project Management Unit<br>• The business plan must be signed by the Municipal Manager<br>• Graduates must be seconded to an entity (public or private) if no relevant training is available to develop the necessary competence of the graduates<br>• Where graduates are placed in another entity (public or private) a memorandum of agreement must be developed and signed between the municipality and the entity, according to Infrastructure Skills Development Grant (ISDG) guidelines. The memorandum of agreement must clearly demonstrate the supervision requirements and the roles and responsibilities of all parties associated with the training of graduates<br>• Graduates must have a national diploma or degree in the built environment from higher education institutions i.e. universities or universities of technology recognised by the statutory council<br>• Municipalities must provide training as per the road-to-registration requirements of the relevant statutory council<br>• Mentoring must be provided by registered professionals in the same field as the graduates in training. The full names and proof of registration of the mentor must be submitted to the National Treasury, and a contract must be entered into with each mentor, in accordance with the ISDG guidelines<br>• The ISDG funding is to be utilised exclusively for costs associated with the training and professional development process of graduates (refer to ISDG guidelines)<br>• The business plan of a municipality must include an absorption strategy for the graduates within the municipality or any other municipality<br>• A project administrator may be appointed per municipality for the purpose of the ISDG administration if approved by National Treasury (refer to ISDG guidelines)<br>• Graduates are to be placed in units to support the management, maintenance and/or implementation of infrastructure, infrastructure related projects and accelerated service/infrastructure delivery<br>• Graduates must be assigned to a supervisor with experience in the same field as the graduates-in-training<br>• Graduates' training progress is to be evaluated by professionally registered mentors on a quarterly basis and the development of the required competencies of graduates is to be evaluated bi-annually<br>• Municipalities must submit monthly and quarterly reports timeously<br>• Graduate reports and/or log books must be completed in the format of the statutory council and must be signed by the registered mentor/supervisor as required by statutory councils<br>• Municipal Managers must sign a service level agreement (SLA) with the National Treasury and such an agreement must be adhered to<br>• Non-compliance with the above conditions can result in the funds being withheld, stopped or re-allocated |
| **Allocation criteria** | • Allocations are based on business plans submitted and the ability of municipalities to provide training and professional development to graduates for the duration of the candidacy phase as stipulated by statutory councils |
| **Reasons not incorporated in equitable share** | • This conditional grant is meant to develop technical skills within municipalities |
| **Past performance** | **2023/24 audited financial outcomes** |

| Infrastructure Skills Development Grant | |
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| | • R160 million was allocated and transferred to 16 municipalities and R154 million (96 per cent) was spent |
| | **2023/24 service delivery performance**<br>• The following municipalities hosted graduates through the grant: Buffalo City (20 graduates); Nelson Mandela Bay (37 graduates); eThekwini (64 graduates); City of Johannesburg (15 graduates); Polokwane (18 graduates); Govan Mbeki (67 graduates); Gert Sibande (31 graduates); Alfred Nzo (19 graduates); Sol Plaatje (13 graduates); John Taolo Gaetsewe (9 graduates); King Sabata Dalindyebo (10 graduates); City of Cape Town (23 graduates); George (17 graduates); Alfred Duma (11 graduates); Thulamela (10 graduates); Vhembe (12) |
| **Projected life** | • The grant is expected to continue up to 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R173 million; 2026/27: R181 million; and 2027/28: R189 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by the National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Issue guidelines and supporting documentation for the implementation of the ISDG<br>• Rollout the ISDG in municipalities in compliance with the ISDG framework, guidelines and relevant prescripts<br>• Manage, monitor and report on the programme<br>• Ensure professional development is aligned to statutory council requirements<br>• Monitor the registration progress of graduates with the relevant statutory councils by municipalities<br>• Monitor financial and non-financial performance of the ISDG<br>• Maintain graduates' database for the ISDG<br>• Work with relevant stakeholders on policies, strategies and guidelines to recruit graduates into permanent positions in local government after they have registered as professionals<br>• Participate in the review of the municipal capacity support system during 2025 |
| | **Responsibilities of municipalities**<br>• Comply with the requirements of the 2025 Division of Revenue Act, ISDG guidelines, service level agreement and the requirements of the relevant statutory councils<br>• Municipalities must prepare a structured training plan, indicating how graduates will be exposed to suitable projects, to ensure that graduates achieve competencies in relevant activities and are developed professionally to meet the outcome(s) requirements for professional registration<br>• Seek and provide secondment opportunities/agreements with professional service providers, appointed by the municipality, when there is no more relevant work with adequate responsibility for the candidate to progress<br>• Provide the candidate with the requisite workspace, supervisor, tools of profession/trade and logistics to perform the recommended activities within their training plans<br>• Continuously review and assess the candidates' work and progress on the road-to-registration and make recommendations for corrective action<br>• Ensure that candidates attend professional development activities in accordance with their training plans, progress and the requirements of their respective statutory councils<br>• Attend all meetings and workshops convened by the National Treasury relating to this grant<br>• Support and supervise graduates on the road-to-registration training<br>• Recruit professionally registered mentors who are able to provide the skills training required and ensure that they are adequately orientated on the registration process and its requirements<br>• Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury<br>• Manage the utilisation of ISDG funds and report to the National Treasury<br>• The municipality must provide, and update, the list of business tools procured with ISDG funds. The business tools must be procured in accordance with ISDG guidelines<br>• Municipalities must submit applications for graduates to register as candidates with the relevant statutory councils within six months, and where not initially eligible, must complete the additional requirements for acceptance as a candidate within 12 months of intake<br>• Municipalities must submit evidence of the graduates' registration to National Treasury when graduates have registered as professionals |
| **Process for approval of 2026/27 business plans** | • Interested municipalities must submit a three-year business plan by 01 September 2025 for assessment by the National Treasury<br>• Participating municipalities must submit revised business plans to the National Treasury by 01 September 2025 |

| Local Government Financial Management Grant | |
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| **Transferring department** | • National Treasury (Vote 8) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To secure sound and sustainable management of the fiscal and financial affairs of municipalities |
| **Grant purpose** | • To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA) |
| **Outcome statements** | • Strengthen capacity in financial management of municipalities<br>• Improved and sustained skills development, including appointment of interns supporting the implementation of financial management reforms focusing on the gaps identified in the Financial Management Capability Maturity Assessments and as reflected in the Financial Management Grant (FMG) support plans<br>• Appropriately skilled financial officers appointed in municipalities with financial management competencies beyond the minimum competencies' regulations<br>• Timely submission of all in-year reports, including the financial statements and improved audit outcomes |
| **Outputs** | • Number of municipal officials registered for financial management training<br>• Number of interns serving on the internship programme<br>• Number of municipalities that are compliant with the Standard Chart of Accounts (mSCOA) |
| **Priority of government that this grant primarily contributes to** | • Priority 1: A capable, ethical, and developmental state<br>• Priority 5: Spatial integration, human settlements, and local government |
| **Details contained in the business plan** | • This grant uses a FMG support plan to direct resources towards addressing weaknesses in financial management |
| **Conditions** | • FMG funds can be used towards the following to improve institutional sustainability:<br>o strengthen capacity and up-skilling officials in the budget and treasury office, internal audit and audit committees<br>o a total of five interns in local municipalities and three interns in metropolitan and district municipalities must be appointed over a multi-year period. Municipalities must submit a plan for the retention of interns through the internship programme<br>o acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices<br>o support the training of municipal financial management officials towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 amended through Gazette 41996 of October 2018<br>• FMG support plan must be consistent with the conditions of the grant and be submitted timeously<br>• Timely submission of reports with complete information as prescribed in the 2025 Division of Revenue Act (DoRA)<br>• Accommodation, Travel and subsistence allowance are not covered by the grant<br>• Expenditure must be maintained at appropriate levels<br>• Functional Disciplinary Boards consistent with chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings with clear evidence of cases being processed through the board and finalised<br>• Council approved UIFW reduction strategy with clear monthly milestones for reduction per category of expenditure<br>• Clear demonstration of preventative controls that detect compliance risks timeously |
| **Allocation criteria** | • All municipalities benefit from the allocations to augment their own resources in support of implementation of the financial management reforms<br>• Priority is given to municipalities:<br>o with challenges/shortcomings in processes, procedures and systems to effectively implement the MFMA, as identified in the Financial Management Capability Maturity assessment<br>o with poor audit outcomes |
| **Reasons not incorporated in equitable share** | • Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA, its regulations and associated financial reforms |
| **Past performance** | **2023/24 audited financial outcomes**<br>• R569 million was allocated and transferred to 257 municipalities<br>• R450 million was spent by municipalities |
| | **2023/24 service delivery performance**<br>• 257 municipalities submitted FMG support plans<br>• 1 205 graduate finance interns were serving on the internship programme in municipalities as at 30 June 2024<br>• 3 151 interns have been permanently appointed since 2004 in municipalities<br>• 1 139 officials received statements of results for attaining the minimum competencies<br>• 257 municipalities are budgeting and transacting using the municipal standard charts of accounts<br>• 164 municipalities have established disciplinary boards as at 30 June 2024<br>• 191 municipalities have established internal audit units as at 30 June 2024 |
| **Projected life** | • This grant ongoing subject to review |
| **MTEF allocations** | • 2025/26: R590 million; 2026/27: R617 million; and 2027/28: R645 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by National Treasury |

| Local Government Financial Management Grant | |
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| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Management, monitoring, and reporting on the programme<br>• Transfer funds to municipalities in terms of the 2025 DoRA<br>• Participate in the review of the municipal capacity support system during 2025 |
| | **Responsibilities of municipalities**<br>• Submit support plans which are consistent with the conditions of the grant<br>• Submit reports consistent with the reporting requirements in the 2025 DoRA<br>• Undertake an assessment of the requisite skills and training needs in the Budget and treasury office, internal audit units in full-time employment, to enable the municipality to perform the functions required in the MFMA<br>• Develop consultancy reduction plans on all financial management disciplines where consultants are appointed to perform such functions |
| **Process for approval of 2026/27 support plans** | • The programme is based on the FMG support plans which municipalities must submit to the National Treasury before the start of the municipal financial year |

| Neighbourhood Development Partnership Grant | |
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| **Transferring department** | • National Treasury (Vote 8) |
| **Grant schedule** | • Schedule 5, Part B and Schedule 6, Part B |
| **Strategic goal** | • Eradicating spatial inequality towards the creation and development of more inclusive, liveable, sustainable urban built environment, resilient, productive, efficient, and integrated towns, intermediate cities and rural towns (rural regional service centres) |
| **Grant purpose** | • To plan, catalyse, and invest in targeted locations to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in South Africa's targeted locations, under-served neighbourhoods, townships and rural towns in metro and non-metro municipalities<br>• To support the targeted municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation as well as facilitate long term programmes/ projects that will attract private investment and assist non-metro municipalities to enhance revenues |
| **Outcome statements** | • Spatially integrated intermediate cities, towns and rural areas<br>• Diversity of public and private capital investments leveraged into targeted locations<br>• Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations<br>• Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation<br>• Strengthened and effective system of programme and project preparation in non-metro municipalities<br>• Improved social cohesion and strengthened social safety net |
| **Outputs** | • Targeted locations with catalytic projects, defined as either:<br>o urban hub precincts with secondary linkages and rural regional service centres<br>o catalytic programmes within integration zones<br>o built environment upgrade projects in urban townships and rural towns<br>o leveraged third-party capital investment into targeted locations<br>• The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events<br>• Enhanced municipal strategic competencies in investment targeting, implementation, and urban management<br>• Effective and transparent system for project approvals (clearly defined authorising environment) in the non-metro municipalities<br>• Increased investment in programme and project preparation by the non-metro municipalities<br>• Number of credible pipeline of projects developed by non-metro municipalities<br>• Number of feasibility studies/strategies completed by non-metro municipalities |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation<br>• Priority 5: Spatial integration, human settlements, and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | • Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer<br>• Submission of cash flow schedules with budgets and timeframes for capital grant (project) implementation as requested by the transferring officer<br>• Programme execution is dependent on a sequential and formal acceptance/approval by the transferring officer of NDPG-related municipal plans or deliverables<br>• Municipalities must commit to forging partnerships with businesses, investors, communities, national and provincial government, and state-owned entities in order to leverage the third-party capital investment required to ensure long-term and sustainable outcomes for each precinct<br>• Eligibility is restricted to non-metro municipalities which have committed to co-financing contributions<br>• Transfers will be based on good performance in line with the work plans and approved projects submitted to National Treasury<br>• Funds can only be spent on direct operating costs for programme and project preparation activities<br>• Non-metro municipalities must commit to forging partnerships with businesses, investors, communities, national and provincial government and state-owned entities in order to leverage the third-party capital investment required to ensure long-term and sustainable outcomes |
| **Allocation criteria** | • The grant funds the following activities in targeted locations that are defined as urban hubs and regional service centres:<br>o allocations are determined via a pipeline of prioritised projects that have been identified through the planning process, in targeted locations. Funding allocation will be subject to submissions of business plans for approval by the NDPP for the planning and the development of catalytic programmes and projects<br>o allocations are focused on municipalities whose circumstances align with the NDPG's criteria, these include higher population densities, diverse nature of economic activity, concentrations of poverty, |

| Neighbourhood Development Partnership Grant | |
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| | inefficient spatial-historical development, improved connectivity and mobility (in particular through improved public transport networks)<br>o technical assistance allocations support planning and professional programme management costs for programmes and projects in targeted locations in order to attract and sustain third party capital investments based on the NDPG's allocation criteria<br>o rural towns are selected according to population or population growth, location, economic potential and/or growth and governance and financial health<br>o final allocations will be based on performance |
| **Reasons not incorporated in equitable share** | • This grant has a strong focus on catalytic nodal and linkage investment in targeted township locations that is not the focus of the equitable share<br>• The grant provides funding to Intermediate City municipalities to enhance the performance of their urban built environment programmes by supporting programme and project preparation. It reflects commitments contained in the National Development Plan to streamline funding for urban public investments to support the restructuring of the urban built environment |
| **Projected life** | • This grant is expected to continue over the medium term, focusing solely on completing projects already in implementation, with no new projects being initiated |
| **MTEF allocations** | • Schedule 5B: 2025/26: R542 million; 2026/27: R430 million; and 2027/28: R450 million<br>• Schedule 6B: 2025/26: R99 million, 2026/25: R104 million; and 2027/28: R108 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Funds catalytic projects in targeted locations that are defined either as urban hubs, integration zones, catalytic programmes or as built environment upgrade projects in urban and rural towns, including:<br>o notifying all municipalities of their allocation status<br>o reporting in terms of the 2025 Division of Revenue Act (DoRA)<br>o determining grant allocations for the Medium-Term Expenditure Framework period<br>o governing the acceptance or approval milestones of NDPG-related municipal plans or deliverables<br>o monitoring, managing and evaluating financial and non-financial performance<br>o overseeing and enforcing the conditions of this grant<br>o producing and disseminating toolkits, guidance and good practice notes that strengthen competencies and capabilities in investment targeting, implementation and urban management<br>• Participate in the review of the conditional grants system during 2025 |
| | **Responsibilities of municipalities**<br>• Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the 2025 DoRA<br>• Submit a cash flow schedule and work plan of activities with budgets and timeframes for grant planning and implementation as requested by the transferring officer<br>• Provide adequate human resources capacity for the successful coordination and implementation of NDPG projects<br>• Coordinate the development of related municipal plans or deliverables and ensure that they are aligned with the grant objectives against which performance will be assessed<br>• Manage and monitor capital grant planning and implementation ensuring sound financial management and value for money<br>• Maintain accurate and up to date grant and performance information as specified in NDPG management information formats and systems<br>• Engage stakeholders to develop partnerships that leverage funding into the targeted locations<br>• Enter and manage partnerships agreements to ensure that the desired project deliverables and objectives are met<br>• Collect and provide evidence of funding leveraged into each precinct<br>• Mainstream and reflect the NDPG development strategies and plans across the municipality, i.e., through the municipal:<br>o Spatial Development Frameworks and capital investment frameworks (as a chapter in the municipal Spatial Development Framework)<br>o Integrated Development Plans |
| **Process for approval of 2026/27 business plans** | • Submission of NDPG related municipal plans and/or deliverables within defined timeframes<br>• Plans and/or deliverables must include an indication of:<br>o the ability to attract and report on third-party funding leveraged<br>o the quality of performance and progress reporting<br>o the level of NDPG alignment across all municipal development strategies and plans including coordination, targeting, and prioritisation with other related capital projects as reflected through municipal spatial development frameworks and capital investment frameworks<br>o activities relating to the establishment and institutionalisation of programme and project preparation timeously on an annual basis<br>• Municipalities must submit project and programme preparation work plans for review and approval, annually by July |

| Urban Development Financing Grant | |
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| **Transferring department** | • National Treasury (Vote 08) |
| **Grant schedule** | • Schedule 4, Part B |
| **Strategic goal** | • To increase investment in resilient infrastructure and spatially targeted urban development in metropolitan municipalities<br>• To eradicate spatial inequalities for sustainable and efficient urban services and spaces that grows the economy and contributes towards financially sustainable metropolitan municipalities |
| **Grant purpose** | • To promote spatially transformed cities with financially sustainable trading services that are able to meet their service delivery mandates<br>• To support metropolitan municipalities with resilient infrastructure investment, including programme and project preparation to enable them to leverage additional concessionary and commercial loan finance to enhance sustainable infrastructure investment |
| **Outcome statements** | • To operate as a performance-based finance incentive grant for metros to achieve the following outcomes:<br>o improved financial sustainability, investment in new and existing infrastructure, efficiencies, and service delivery from trading services<br>o strengthened and effective system of programme and project preparation in the metropolitan municipalities<br>o improved municipal capacity to support infrastructure investment planning and prioritisation that supports long-term spatially transformed and integrated cities<br>o improved social cohesion and strengthened social safety net<br>o increased leveraging of private sector investment in municipal infrastructure and urban development (specifically in strategic targeted nodes), as well as increased diversity of public and private capital investments leveraged into targeted locations |
| **Outputs** | • Increased annual investment by the Metro in renewal (rehabilitation and/or replacement) and expansion in municipal bulk, and distribution infrastructure for the three trading services<br>• Timebound operating investments to improve performance and management capacity of the three trading services<br>• Increased number of credible catalytic programmes and projects that have successfully undergone the project preparation process. The prioritised projects in spatially targeted nodes should be prepared with the objective of implementation through a funding mix that includes alternative funding streams<br>• Number of work opportunities and full-time equivalents created through the city-led public employment programme (PEP) |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation<br>• Priority 5: Spatial integration, human settlements, and local government |
| **Details contained in the bus plans** | The following will be contained in the grant guideline documents:<br>• Outcome indicators<br>• Output indicators<br>• Inputs<br>• Key activities |
| **Conditions** | • Access to the programme and eligibility for the grant is based on compliance with the submission requirements for Metro trading service turnaround strategies, Institutional reform roadmap, Business and Investment Plans and Performance Improvement Action Plans of acceptable quality<br>• The grant is disbursed based on metro achievement of KPIs and targets in Performance Improvement Action Plans for each trading service<br>o subsequent annual allocations will be adjusted subject to progress against the KPIs/targets set in the Performance Improvement Action Plans<br>o a maximum of 10 per cent of the funds allocated for trading service investment can be spent on direct operating costs as per the programmes in the Performance Improvement Action Plans<br>• Transfers for project preparation support will be based on performance in line with the work plans and approved projects submitted to National Treasury<br>• Metropolitan municipalities must commit to forging partnerships with businesses, investors, communities, national and provincial government and state-owned entities in order to leverage the third-party capital investments required to ensure long-term and sustainable outcomes and investing their own revenues<br>• An amount of R56 million in 2025/26 is ring-fenced for the implementation of the Non-Revenue Water project in eThekwini Metropolitan Municipality through the Budget Facility for Infrastructure (BFI), and may only be used for the respective purposes of the project approved<br>• Should there be cost variations of more than 10 per cent on a Budget Facility for Infrastructure funded project, the relevant municipality is required to inform the National Treasury and the transferring officer within 30 days of confirming the cost variations<br>• Metropolitan municipalities must submit a business plan for approval by National Treasury on the date stipulated, outlining the key PEP initiatives, activities, inputs, output indicators and outcome indicators and delivery and reporting mechanisms<br>• A maximum of 10 per cent of the PEP allocation can be used for the purchasing of capital equipment |

| Urban Development Financing Grant | |
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| | • Cities can shift funds between city-led PEP projects, but National Treasury must be notified of the shift in the monthly reports<br>• 90 per cent of the funds may be used for the operating costs of running a public employment programme:<br>  o the basic minimum wage should be used as a guideline for costing the PEP employment opportunities<br>• Supervisory, project management and operational-related materials costs should be budgeted for |
| **Allocation criteria** | • This grant will be disbursed based on the progressive achievement of clearly defined milestones linked to:<br>  o improvements in governance and accountability;<br>  o financial performance, and<br>  o service delivery performance<br>• For Metro Trading Services Financing, allocations will comprise of:<br>  o incentive allocations for eligible metros for each trading service from 2025/26 taking into account population and poverty as variable weights in the allocation formula<br>  o allocation may be adjusted according to periodic evaluation of Performance Improvement Action Plans<br>• For Neighbourhood Development, allocations will comprise of the capital grant project support allocations determined via a pipeline of prioritised projects that have been identified through the planning process, in targeted locations. Funding allocation will be subject to submissions of business plans for approval by the NDPP<br>• For Programme and Project Preparation Support, allocations will comprise of the current project preparation allocations for the completion of approved projects and programmes. The rest of MTEF allocations after 2025/26 should be allocated towards the Metro trading services infrastructure investments<br>• For the Public Employment programme, allocations will comprise of Employment projects and programmes subject to the submission of comprehensive business plans for approval by NDPP<br>• The BFI allocations ring-fenced in this grant are application-based |
| **Reasons not incorporated in equitable share** | • The grant provides funding to the metropolitan municipalities to enhance the performance of their urban built environment programmes by supporting programme and project preparation and it has a strong focus on catalytic nodal and linkage investment in targeted township locations that is not the focus of the equitable share<br>• This is a supplementary capital infrastructure grant to incentivise financially sustainable metropolitan trading services that can sustain their long-term capital investment requirements, hence conditions, objectives and distribution criteria (including financial sustainability) are different to those of the equitable share |
| **Past performance** | • Not applicable, new grant |
| **Projected life** | • This grant continues until 2030/31, subject to review |
| **MTEF allocations** | • 2025/26: R1 billion; 2026/27: R1.4 billion; and 2027/28: R1.3 billion |
| **Payment schedule** | • Transfers will be made in accordance with a payment schedule approved by National Treasury based on cash flow submissions |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the National Treasury**<br>• Fund plans and catalytic projects in targeted locations that are defined either as urban hubs or integration zones in metropolitan municipalities, and develop Performance Improvement Action Plans and progress reporting templates for metros<br>• Fund eligible business plans for each sector as per metro achievement of KPIs and targets in Performance Improvement Action Plans for each trading service<br>• Review, approve and fund Public Employment Programme business plans in metropolitan municipalities<br>• Notifying all municipalities of their allocation status, both directly and via the Division of Revenue Act (DoRA)<br>• Provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme and the Neighbourhood Development Partnership Programme<br>**Responsibilities of municipalities**<br>• Prepare credible business plans/priority programmes and projects to the NDPP for funding through the UDFG<br>• Compile and submit monthly and quarterly expenditure and progress reports in line with the requirements and as stipulated in the 2025 DoRA<br>• Submit a cash flow schedule with budgets and timeframes for technical assistance and/or capital grant implementation as requested by the transferring officer<br>• Municipalities must confirm within the work plan that a financing plan with associated co-funding agreements will be in place prior to implementation of the capital project, unless an exemption to co-funding requirements has been approved by National Treasury<br>• Must prepare and submit Council approved Performance Improvement Action Plans documents that are both aspirational and realistic, with clear targets as well as a budget and funding (incl. the grant and other sources) for the proposed activities |

| Urban Development Financing Grant | |
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| | • Submit financial and non-financial reports half yearly within one month of the end of each half year the reporting format (to be provided) will be linked directly to the Performance Improvement Action Plans with one report required for each trading service in Performance Improvement Action Plans<br>• Submit a signed letter by a municipal manager or a delegated authorised person as an attachment progress report |
| **Process for approval of 2026/27 business plans** | **Municipalities**<br>• Submission of NDP related municipal plans and/or deliverables within the timeframes defined in each municipality's own work plans in relation to priority catalytic projects /programmes funded under the NDP window<br>• Plans and/or deliverables must include an indication of:<br>o the ability to attract and report on third-party funding leveraged;<br>o the quality of performance and progress reporting; and<br>o the level of NDP alignment across all municipal development strategies and plans including coordination, targeting, and prioritisation with other related capital projects as reflected through municipal spatial development frameworks and capital investment frameworks<br>• Submit municipal plans timeously with projects and including deliverables with costs and timeframes on an annual basis. The plan must contain the detail of identified annual and/or multi-year project preparation and/or PEP projects<br>• Submit Council-approved Performance Improvement Action Plans timeously<br>• Submit progress reports timeously<br>• Submission of Metro trading service turnaround strategies, Institutional reform roadmap, Business and Investment Plans and Performance Improvement Action Plans to be assessed by National Treasury and relevant national departments to provide feedback to metros and inform the grant allocation<br>**Transferring Officer**<br>• Issue approval letters for which transfers/disbursements for each trade service will/are made against<br>• Guidelines with allocation splits to be sent in advance before the commencement of each municipal financial year<br>• Compile and submit monthly and quarterly expenditure and progress reports in line with the requirements and as stipulated in the 2025 DoRA |

| Smart Meters Grant | |
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| **Transferring department** | • National Treasury (Vote 8) |
| **Grant schedule** | • Schedule 6, Part B |
| **Strategic goal** | • To achieve financial sustainability and improved management in municipal electricity/water services, and generate pre-service cash |
| **Grant purpose** | • To enable municipalities to implement bi-directional smart metering systems and smart solutions |
| **Outcome statements** | • Enhanced oversight of revenue and financial management controls for greater accountability<br>• Optimised cash generation and cashflow through the implementation of prepayment systems for electricity/water service<br>• Streamlined operations in electricity/water distribution and revenue generation for increased efficiency<br>• Sustainable electricity/water operations for long-term viability<br>• Cost-efficient trading services that reflect accurate pricing to ensure self-sustainability |
| **Outputs** | • Number of smart bi-directional meters and smart solutions for water (smart IoT Water Meters Ultrasonic and Mechanical Water Meters with remote management capabilities and Automated Meter Readers (AMR's), Positive Displacement Meters, Smart Leak Detectors, Velocity Meters, Single Jet Meters, Multi-Jet Meters, Turbine Meters, Electromagnetic Meters), and electricity (one and three phase Electrical Meters, LPU CT Meters, Check Meters for Eskom Intake, Zonal Meters and Statistical Meters) installed on behalf of the municipality<br>• Number of bulk meters for water and electricity installed on behalf of the municipality<br>• Reduction of technical distribution losses pertaining to the municipal electricity/water function<br>• Percentage and Rand value improvement in revenue collection vs the baseline (collection prior to implementation) |
| **Priority of government that this grant primarily contributes to** | • Priority 1: A capable, ethical, and developmental state<br>• Priority 5: Spatial integration, human settlements, and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Output indicators<br>• Key activities<br>• Inputs (resources) |
| **Conditions** | • By April 2025, municipalities must submit to the National Treasury:<br>o council-approved smart meter business plans in the prescribed format with all required information; and<br>o signed contracts (including annexures) within 10 working days of the National Treasury's request. The accounting officers of municipalities must reprioritise an existing technical services resource in the municipality to fulfil the meter implementation-and-monitoring function of overseeing and managing all the metering systems in the municipality (electricity and water meters)<br>• In the third year of implementation, participating municipalities must gradually adjust tariffs to reflect the costs of smart meter maintenance and related grid systems<br>• Municipalities must prioritise revenue collection improvements resulting from the installation<br>• Funds may only be used in accordance with approved project plans. Council and National Treasury must give written approval for any amendments to the plans prior to implementation<br>• Municipalities must enforce credit control and reporting, including in Municipal Standard Chart of Accounts (mSCOA) and as required by National Treasury, for a minimum of five years after benefiting from the grant and in alignment with municipal debt relief programme |
| **Allocation criteria** | • In the 2025/26 financial year, the grant will prioritise municipalities in the debt relief programme<br>• Of the municipalities who have applied, preference will be given to those with:<br>o council-approved business plans (per customer category and ward)<br>o high potential for revenue generation/protection<br>o high potential reduced electricity/water loss<br>o viable and feasible projects<br>o integrated meter implementation/monitoring with staff capabilities |
| **Reasons not incorporated in equitable share** | • This is a specific purpose grant with conditions, objectives and allocation criteria different from that of the equitable share |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Not applicable |
| | **2023/24 service delivery performance**<br>• Not applicable |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R650 million; 2026/27: R800 million; and 2027/28: R836 million |
| **Payment schedule** | • Payments are made in accordance with a payment schedule approved by National Treasury after verification of work performed |

| Smart Meters Grant | |
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| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Appoint the service providers in terms of the RT29 transversal tender to implement the smart solution<br>• Agree with municipalities on outputs and targets<br>• Continuously monitor implementation and provide support to municipalities<br>• Verify reports from the appointed service providers and municipalities<br>• Enter into an MoU with benefiting municipalities regarding roles and responsibilities, synchronisation of the systems, ownership, funding arrangements, and operation and maintenance of proposed smart solution prior to the commencement of implementation<br>• Ensure that suitable agreements in terms of operation and maintenance plans are in place<br>• Upon receipt of invoices from National Treasury's contracted service providers, Project Management Unit must verify work done before making payments<br>• Enter into the contract with municipalities and the National Treasury appointed service providers |
| | **Responsibilities of municipalities**<br>• Monitor and ensure that projects are implemented in line with what is reflected in the Integrated Development Plans (IDPs) and approved business and project implementation plan of the municipality<br>• Once a project is completed, ensure adherence to operations and maintenance plans and/or any other requirements agreed to as part of the funding agreement contained in the MoU, and ensure the sustainability of the solution<br>• Abide by National Treasury's planning and coordination for smart meter systems and related infrastructure<br>• The municipality must make a facility available for the back-office monitoring<br>• Municipalities must pro-actively, parallel undertake public consultation process(es) for their business plans in ward(s) and for the customer category(s) earmarked in their applications as part of their IDP consultation processes<br>• Track the saving emanating from the initiative in line with reporting requirements set by National Treasury<br>• Accurately report grant management and submit service provider milestones, invoices, and reports to National Treasury<br>• Establish/maintain meter implementation and monitoring function within two months of approval<br>• Operate smart meters and system according to contract/license conditions<br>• Undertake public consultation for business plans in relevant ward(s) and customer category(s) |
| **Process for approval of 2026/27 business plans** | • Application forms will be sent to municipalities, and all received applications and business plan proposals (with council resolution support) will be evaluated and finalised by 31 March 2025 |

# PUBLIC WORKS AND INFRASTRUCTURE GRANT

| Expanded Public Works Programme Integrated Grant for Municipalities | |
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| **Transferring department** | • Public Works and Infrastructure (Vote 13) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised |
| **Grant purpose** | • 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 EPWP guidelines:<br>o road maintenance including but not limited to block paving and pothole patching<br>o maintenance of buildings<br>o low traffic volume roads and rural roads<br>o basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure)<br>o other economic and social infrastructure<br>o tourism and cultural industries<br>o waste management and cleaning services<br>o parks and beautification<br>o sustainable land-based livelihoods<br>o social services programmes<br>o energy including but not limited to retro-fitting, solar |
| **Outcome statements** | • Contribute towards increased levels of employment<br>• Improved opportunities for sustainable work through experience, learning gained and skills development |
| **Outputs** | • Number of Full-Time Equivalents (FTEs) to be created through the grant<br>• Number of people employed, trained and receiving income through the EPWP<br>• Number of days worked per work opportunity created |
| **Priority of government that this grant primarily contributes to** | • Priority 2: Economic transformation and job creation |
| **Details contained in the business plan** | • The programme is implemented through municipalities using EPWP integrated agreements and project lists that specify the number of FTEs and work opportunities to be created |
| **Conditions** | • EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the Department of Public Works and Infrastructure (DPWI), the latest EPWP Ministerial Determination, the EPWP Recruitment Guidelines and the National Minimum Wage Act of 2018 including applicable gazettes<br>• Municipalities must register all EPWP projects on the DPWI's EPWP reporting system<br>• Project data reports must be loaded and updated on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed<br>• Municipalities must maintain participant and payroll records as specified in the audit requirements in the EPWP grant manual and the Ministerial Determination<br>• The EPWP grant cannot be used to fund the costs of permanent municipal personnel, however, a maximum of 5 per cent of the grant can be used to fund contract-based capacity required to manage data capturing and on-site management costs related to the use of labour-intensive methods<br>• The EPWP grant can only be utilised for EPWP purposes, for projects only approved in each municipality's EPWP project list<br>• To receive the first tranche of the allocations, eligible municipalities must submit a signed integrated agreement with a project list by 30 June 2025<br>• Subsequent grant disbursements are conditional upon:<br>o eligible municipalities reporting EPWP performance on the DPWI's EPWP reporting system within the required timeframes<br>o compliant reporting on EPWP Integrated Grant-funded projects<br>o submitting on a quarterly basis, non-financial reports including for the last quarter of the previous financial year<br>o reporting on EPWP Integrated Grant expenditure monthly within the required time frames<br>• Municipalities must implement their approved EPWP project list and meet agreed FTE targets<br>• Municipalities must ensure that EPWP branding is included as part of the project cost in line with the DPWI's corporate identity manual<br>• A minimum of 2 per cent and a maximum of 5 per cent of the grant allocation must be used for training of participants |
| **Allocation criteria** | • To be eligible for an EPWP grant allocation in 2025/26, a municipality must have reported at least 13 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2023/24 financial year<br>• Allocation criteria include:<br>o the number of FTE jobs created in the prior 18 months<br>o past performance with regard to labour intensity in the creation of EPWP work opportunities<br>o Poverty headcount as a percentage from Community Survey 2016<br>o Rural bias<br>o penalties are applied to municipalities that are non-compliant with the Division of Revenue Act |
| **Reasons not incorporated in equitable share** | • This grant is intended to fund the expansion of labour intensity in specific focus areas as well as to incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas |

| Expanded Public Works Programme Integrated Grant for Municipalities | |
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| **Past performance** | **2023/24 audited financial outcomes**<br>• The grant had an allocation of R778 million, 254 municipalities were eligible for the grant and 100 per cent of the allocation was transferred to these municipalities. R740 million of the transferred funds was spent by the end of the financial year |
| | **2023/24 service delivery performance**<br>• 57 291 work opportunities were reported by 249 municipalities and validated on the EPWP system<br>• 26 906 FTE jobs were reported by 249 municipalities and validated on the EPWP system<br>• Average duration of the work opportunities created has increased to 108 days |
| **Projected life** | • Grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R567 million; 2026/27: R593 million; and 2027/28: R620 million |
| **Payment schedule** | • Transfers are made in accordance with a payment schedule approved by the National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Determine eligibility and set grant allocations and FTE targets for eligible municipalities<br>• Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines, the EPWP Ministerial Determination and the National Minimum Wage Act including applicable gazettes<br>• Support municipalities in the manner agreed to in the grant agreement, to:<br>o identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria<br>o apply the EPWP project selection criteria and EPWP guidelines to project design<br>o report using the EPWP reporting system project implementation information including project outputs and expenditure<br>• Monitor the performance and spending of municipalities according to the signed incentive agreement<br>• Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement<br>• Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions<br>• Conduct site visits to verify existence of the projects and identify where support is needed |
| | **Responsibilities of the eligible municipalities**<br>• Develop an EPWP project list and sign the standard funding agreement with DPWI by 30 June 2025, agreeing to comply with the conditions of the grant before receiving any grant disbursement<br>• Agree on the areas requiring technical support from DPWI upon signing the grant agreement<br>• Ensure that reporting is done within the timelines stipulated in the grant agreement and that compliant information is captured in the EPWP reporting system<br>• Municipalities must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPWI for data quality assessment tests<br>• EPWP work opportunity reports must be captured on a monthly basis in order for progress to be assessed<br>• Submission of quarterly non-financial reports by the timelines stipulated in the clauses of the 2025 Division of Revenue Act |
| **Process for approval of 2026/27 business plans** | • Municipalities must report performance on EPWP projects for the 2025/26 financial year by 15 October 2025 to be eligible for a grant allocation<br>• Municipalities must submit a signed EPWP integrated agreement and project list by 30 June 2026 |

# TRANSPORT GRANTS

| Public Transport Network Grant | |
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| **Transferring department** | • Transport (Vote 40) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • To support the National Land Transport Act (Act No. 5 of 2009) and Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable, and affordable integrated municipal public transport network services |
| **Grant purpose** | • To provide funding for accelerated construction and improvement of public and non-motorised transport infrastructure that forms part of a municipal integrated public transport network<br>• To support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services |
| **Outcome statements** | • Improved public transport network infrastructure and services that function optimally and are safe, convenient, affordable, well managed and maintained<br>• Public transport systems that are accessible to an increasing percentage of the population of urban municipalities and contribute to more spatially efficient urban areas |
| **Outputs** | **Network Operations Component**<br>• Number of average weekday passenger trips carried on Public Transport Network Grant (PTNG) funded networks<br>• Number and percentage of municipal households within a 500m walk to an integrated public transport network (IPTN) station or stop that has a minimum peak period frequency of 15 minutes or better<br>• Percentage uptime for network operating systems as a proportion of the network's public operating hours<br>• Passengers per network vehicle per average weekday<br>**Network Infrastructure Component**<br>• Public transport network infrastructure including dedicated lanes; routes and stops/shelters; stations; depots; signage, audio and visual information displays; control centres and related information technology; fare systems and vehicles if the national Department of Transport (DoT) in consultation with National Treasury approves use of grant funds to purchase vehicles; non-motorised transport (NMT) infrastructure that supports network integration including but not limited to sidewalks, cycleways, cycle storage at stations<br>• Plans and detailed designs related to IPTN infrastructure and operations |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses IPTN operational and related plans that include financial modelling |
| **Conditions** | • Projects must be based on, and form part of, a strategic, municipal wide, long-term IPTN plan and strategy approved by the municipal council<br>• Projects funded by this grant must be based on an operational and business plan, which must include a multi-year financial operational plan approved by the municipal council. This multi-year financial operational plan must cover the full duration of any contracts for each phase funded by the PTNG and include operating and maintenance costs and universal design access plans<br>• Projects must support an integrated multi-modal network approach as defined in the National Land Transport Act (NLTA) and the Public Transport Strategy. Municipalities must manage operations to progressively achieve the standard of service defined in the Public Transport Strategy within available resources<br>• Projects should follow an environmental strategy and consider energy efficiency and environmental aspects, such as emission standards; therefore, IPTN vehicle fleet procurement must be zero emissions technology unless exempted by DoT<br>• The first tranche is subject to submission of milestones in terms of the template determined by DoT by 02 June 2025 or within seven working days upon adoption/approval by the municipal council, as part of the annual budget appropriation<br>• Subsequent payments will be conditional on the attainment of previously funded milestones as specified in the grant allocation letter to each municipality from the DoT. Milestones are based on the approved IPTN operational plans of cities and are defined after consultation with municipalities<br>• All public transport infrastructure and services funded through this grant must ensure that there is provision for the needs of special categories of passengers in line with the requirements of section 11 (1)(c)(xiv) of the NLTA<br>• Allocations for this grant are made to fund the planning, development, implementation, and operations for specific network phase(s) through two components, with separate conditions applicable to each component as set out in the allocation criteria section below<br>• Allocations for the Network Operations Component will be determined by DoT once municipalities submit an annual operations plan including financial forecasts for 2025/26 by 02 June 2025 or within seven working days, upon adoption/approval by the municipal council, as a part of the annual budget appropriation, funds from either component can be shifted to the other if approved by DoT and National Treasury<br>• The second tranche is subject to cities submitting, by 31 July 2025, an updated multi-year financial operational plan (approved by council) for the duration of the vehicle operating contract/s pertaining to any phase on which the 2025/26 grant funds will be spent<br>• All new intelligent transport solutions (ITS) related contracts that will incur grant expenditure must be jointly approved by DoT and National Treasury before grant funds may be spent on them<br>• Project Management costs and Industry Transition related costs (excluding compensation for operating licences) combined, are not to exceed 5 percent of the annual transfers of this grant unless approved by DoT<br>• An amount of R1.9 billion in 2025/26 is allocated to the City of Cape Town, as per the cash flow schedule for the MyCiti Phase 2A project, funded through the Budget Facility for Infrastructure (BFI) and may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project, |

| Public Transport Network Grant | |
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| | the municipality is required to inform National Treasury and the transferring officer within 30 days of confirming the cost variations<br>• To ensure efficient usage of grant funds, the DoT can instruct that municipalities utilise national transversal appointments for IPTN related items such as professional services, vehicles and information technology including automated fare collection and vehicle tracking, where such contracts exist. For this purpose, up to 5 per cent of a municipality's allocation shall be ringfenced for payment by the relevant municipality where the transferring officer deems it necessary<br>• The currently suspended municipalities are required to meet the readmission criteria set by the DoT and National Treasury in the readmission framework and all the requirements in this grant framework<br>**Network Operations Component**<br>• Operating subsidies from this component can fund security, station management, fare collection services, control centre operations, information and marketing, network management, insurance, compensation for the economic rights of existing operators and maintenance of infrastructure and systems<br>• From the start of operations, IPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operating costs consist of fuel, labour, operator administration and vehicle maintenance<br>• From the start of operations on a route, the grant can fund a portion of the per kilometre rate to subsidise up to 100 per cent of the capital cost (including interest and related fees) of vehicles purchased by the vehicle operating company<br>• IPTN operational plans and ongoing operations management must target improved farebox cost coverage, through minimising costs and maximising fare revenues. Municipalities operating network services are required to supply detailed operating performance and operating cost and revenue reports quarterly in the formats prescribed by the DoT<br>• Operating subsidies for any new or existing service, line, route, or phase, will only be transferred after a municipality meets the requirements of DoT's Operational Readiness Framework<br>• Municipalities must enforce rules and by-laws related to the IPTN and regarding usage of dedicated lanes, fare payment, and operator/supplier compliance with contractual provisions<br>• Municipalities are required to establish the specialist capacity to manage and monitor public transport system contracts and operations<br>• Verified data on operator revenue and profitability; and draft agreements based on credible passenger surveys) for the compensation of existing economic rights of affected operators must be submitted to DoT for concurrence before concluding agreements on compensation for economic rights<br>• Municipalities must enforce agreements that only legal operators operate on routes subject to compensation agreements<br>**Network Infrastructure Component**<br>• The grant can fund all IPTN-related infrastructure, including non-motorised transport, upgrades of existing public transport infrastructure and new infrastructure<br>• Municipalities must demonstrate in their IPTN operational plans that they have attempted to give maximum priority to public and non-motorised transport while minimising costs through using existing infrastructure, road space and public land<br>• For each phase, final network routing, service design and related financial modelling must be submitted to DoT for review and approval before municipalities proceed with detailed infrastructure design<br>• IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations)<br>• Contracted operators should finance and own vehicles unless a case for the exceptional use of limited infrastructure funding for vehicle procurement is approved by DoT, in consultation with National Treasury. If approval is granted, any vehicles purchased with grant funds must remain the property of the municipality |
| **Allocation criteria** | • Allocations are only made to municipalities that submit business plans in line with the above conditions, which demonstrate sufficient capacity to implement and operate any proposed projects, and credibly demonstrate the long-term fiscal and financial sustainability of the proposed projects<br>• 70 per cent of available funds are allocated according to the three public transport demand factors. The three equally weighted demand factors are:<br>o size of population<br>o size of economy<br>o number of public transport users<br>• 20 per cent of available funds are allocated through a base component shared equally between participating municipalities<br>• 10 per cent of available funds are allocated as a performance incentive to operating municipalities based on the following three indicators (to qualify a minimum threshold for all three must be achieved by a municipality):<br>o coverage of costs from farebox: fare revenue as a percentage of direct operating costs, which indicates a commitment to reducing operational costs, and is a measure of efficiency. The minimum threshold is 35 per cent<br>o passenger trips: average weekday passenger trips as a percentage of the population. This indicates coverage of the system, in providing the services to residents. The minimum threshold is 1 per cent. The city should be operating for at least two months<br>o skin in the game: city own funding as a percentage of the city's total property rates used towards funding the IPTN construction and operation. This is a measure of the cities' commitment to the system. The minimum threshold is 2 per cent<br>• To be eligible for the incentive, municipalities must have spent at least 80 per cent of their PTNG allocation from the preceding year and exceed the minimum threshold in at least two of the three indicators<br>• The information used for the incentive comes from cities' multi-year financial plans. If this information exceeds the audited numbers by more than 5 per cent, this will be corrected in the subsequent financial year |

| Public Transport Network Grant | |
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| | by reducing the city's allocation by the amount that is over the amount the city would have received if calculations were based on the audited numbers<br>• Allocations for the Network Operations Component are based on municipalities' Annual Operations Plans (to be submitted to DoT by 02 June 2025) which indicate the amount of the 2025/26 total allocation to be used within the rules of this component<br>• Approval of these allocations is specified in the DoT allocation letter to municipalities and is based on the following rules:<br>o DoT approval of the annual operations plan<br>o the annual operations plan must be costed to meet specific operating targets per network phase to be achieved within the 2025/26 financial year to qualify for eligibility into the 2026/27 formula<br>o the network operations component can be used in each phase and sub-phase of the introduction of services to fund up to 70 per cent of indirect operating costs for two years after the municipal financial year in which operations start. Thereafter the grant can fund up to 50 per cent. Non-PTNG sources must cover the remaining costs<br>o compensation for the economic rights of existing operators can be funded up to 100 per cent in each phase, however, any inflated compensation which is not supported by credible surveys and business valuation principles will not be funded from PTNG |
| **Reasons not incorporated in equitable share** | • Infrastructure and operational costs associated with the implementation of the Public Transport Strategy and NLTA were not included in municipal budgets before the introduction of IPTN services |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R6.4 billion appropriated, R6.1 billion was transferred to municipalities<br>• Of the transferred amount, R4.8 billion or 79 per cent was spent |
| | **2023/24 service delivery performance:**<br>• **Cape Town:** Passenger journeys per day (excluding transfers) totalled 61 801; annual fare revenue amounted to R309 million; percentage of households within 500 meters of an IPTN station or bus stop amounted to 40.1%<br>• **Ekurhuleni**: Dedicated trunk roadways of 2 kilometres; 0.6 kilometres of feeder roadways; 9 kilometres of non-motorized facilities; 8 stops with shelter; 61 other stops; 8 438 passenger trips per day (excluding transfers); annual fare revenue amounted to R34 million<br>• **eThekwini:** 2.9 kilometres stretch of dedicated roadway lanes on corridor 9; work package 2A reached practical completion on 30 November 2023; fully operational traffic management centre (TMC) linked to CCTV at the stations and the disaster management centre was ready for go-live commissioning; camera-based monitoring of corridor 3 route and stations; security contracted for the system; on-street enforcement of illegal operators<br>• **George:** 24 kilometres of feeder routes laid out; 52 stops/shelters installed; 52 signage and information displays installed; number of average weekday passenger trips totalled 19 411; percentage of municipal households within 500 meters walk to an IPTN station or stop amounted to 80%; percentage uptime for network operating systems over operating hours totalled 100%; passengers per network vehicle per average weekday amounted to 214; 24 kilometres of trunk and community service in mixed traffic; 5 kilometres of non-motorized facilities; 119 other non-sheltered bus stops; annual fare revenue amounted to R79 million<br>• **Johannesburg:** Number of operators paid compensation amounted to 94; affected vehicles taken out of service amounted to 100; passenger trips per day (excluding transfers) totalled 28 660; annual fare revenue amounted to R87 million; percentage of total city households within 500 metres of an IPTN station or stop amounted to 10.2%; 12 phase 1C stations were at 100% completion as at 30 June 2024<br>• **Mangaung:** Number of operators paid compensation for operator licenses amounted to 14; affected vehicles taken out of service totalled 68; Moshoeshoe trunk route Part A was 84% complete; Moshoeshoe trunk route Part B was 46% complete; IFMS equipment fitted to 10 buses; installed 36 stops and shelters for phase 1C<br>• **Nelson Mandela Bay:** Passenger trips per weekday (excluding transfers) amounted to 2 989; annual fare revenue amounted to R768 000<br>• **Polokwane:** Passengers trips per day (excluding transfers) amounted to 3 500; annual fare revenue totalled R9 million<br>• **Rustenburg:** Number of operators paid compensation amounted to 27; affected vehicles taken out of service totalled 56; annual fare revenue amounted to R16 million; percentage city households within 500 metres of an IPTN station or bus stop amounted to 13%; in-year funding compensated the remaining 146 operator licenses in lump sums; Phase 1A for the TOATA/RULLDTA taxi associations: all operators were compensated totalling 259 operating licenses, including tax support; 56 operator licences were compensated in phase 1C<br>• **Tshwane:** 4 kilometres of non-motorized facilities constructed; passenger trips per day (excluding transfers based on 8 months of operations due to municipal strike totalled 6 900; annual fare revenue amounted to R18 million |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R7.2 billion; 2026/27: R8 billion; and 2027/28: R7.1 billion |
| **Payment schedule** | • Transfers are made in accordance with an agreed payment schedule approved by the National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Disburse PTNG funds and monitor PTNG expenditure<br>• Monitor IPTN implementation progress and operating performance in line with the NLTA and the public transport strategy<br>• Verify reports from municipalities by conducting at least one site visit per annum<br>• Allocate funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury<br>• Review and comment on draft compensation agreements for economic rights<br>• Review and comment on the network model submitted by each municipality<br>• Evaluate the performance of the grant annually |

| Public Transport Network Grant | |
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| | • Maintain the database of operational performance based on the indicators and continue to track, report, and evaluate the performance of the grant based on these measures<br>• Develop cost norms for ITS and include these in the annual PTNG guidelines and requirements circulated to municipalities by DoT<br>• Submit copies of allocation letters and milestones to the National Treasury<br>• Implement internal mechanisms to monitor adherence to grant conditions and manage the disbursements of the grant where there is non-compliance. Measures to address non-compliance include withholding transfers, as provided for in section 17 of the 2025 Division of Revenue Act (DoRA). If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of sections 18 and 19 of the 2025 DoRA |
| | **Responsibilities of municipalities**<br>• Ensure that projects are implemented in line with approved business plans and are also reflected in the integrated development plan of the municipality. Additional plans that municipalities will need to complete include:<br>o network operational plans, including universal design access plans<br>o business and financial plans (including financial modelling, economic evaluation, and operator transition plans)<br>o institutional network management plans<br>o engineering and architectural preliminary and detailed designs<br>o public transport vehicle and technology plans<br>o marketing and communication plans<br>• Projects funded by this grant must promote the integration of the public transport networks in a municipality, through:<br>o physical integration between different services within a single network<br>o fare integration between different services<br>o marketing integration with unified branding<br>o institutional integration between the services<br>o spatial integration, in conjunction with other grants directed at the built environment<br>• Provide budget proposals for the PTNG funding that:<br>o are based on sound operational and financial plans that cover direct vehicle company operating costs from local sources at a minimum<br>o indicate the intended allocations between the network operations component and network infrastructure component<br>• Establish a dedicated project team to plan, manage and monitor infrastructure development and maintenance, as well as operations with an emphasis on optimising vehicle kilometres through full use of procured Intelligent Transport System tools<br>• Compile and submit data that indicates the efficiency and effectiveness of operational services in the formats and use the indicators defined by the DoT |
| **Process for approval of 2026/27 business plans** | • Municipalities must submit business plans based on a fiscally and financially sustainable IPTN or an agreed plan to compile this, supported by credible multi-year financial operational plans by 31 July 2025. The plans should include plans for how all municipal owned bus services will be integrated into the 10-year IPTN programme<br>• Suspended municipalities seeking readmission must submit their revised plans by 31 July 2025<br>• DoT and National Treasury will jointly evaluate these plans based on pre-determined criteria regarding financial and fiscal sustainability and sufficient capacity for the municipality's eligibility for an allocation in the 2026/27 financial year<br>• Municipalities that fail to pass the eligibility and readmission criteria will be informed by 28 August 2025 and may be asked to resubmit plans |

| Rural Roads Asset Management Systems Grant | |
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| **Transferring department** | • Transport (Vote 40) |
| **Grant schedule** | • Schedule 5, Part B |
| **Strategic goal** | • Ensure efficient and effective investment in municipal roads through development of road asset management systems (RAMS), collection and analysis of data |
| **Grant purpose** | • To assist district municipalities to set up rural RAMS, and collect road, bridges and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa |
| **Outcome statements** | • Improved data on municipal roads to guide infrastructure maintenance and investments |
| **Outputs** | • Road condition data (paved and unpaved) as per prescribed Technical Methods for Highways (TMH-series)<br>• Traffic data<br>• Data on condition of structures (including bridges and culverts) as per prescribed Technical Methods for Highways (TMH 19 series)<br>• Borrow Pit Management data<br>• Safety assessments data<br>• Prioritised project list for roads to inform Municipal Infrastructure Grant project selection<br>• Number of graduates recruited for data collection purposes |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses Road Asset Management Plans (RAMPs)/business plans which contain the following details:<br>o network hierarchy<br>o performance management framework<br>o gap analysis<br>o information systems<br>o lifecycle planning<br>o current and future demand<br>o financial plan<br>o monitoring<br>o reviewing<br>o plans for continual improvements including sharing data with local municipalities |
| **Conditions** | • Transfer of the first tranche is conditional on submission of a council approved business plan by 30 June 2025<br>• Transfer of the second tranche is conditional on submission of evidence of engagements and sharing of data with local municipalities and compliance with monthly and quarterly signed report submissions to the national Department of Transport (DoT), and the relevant provincial roads authorities<br>• Road authorities must conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road asset data<br>• District municipalities must provide local municipalities with validated information from the condition data collected to enable municipalities to identify and prioritise road maintenance requirements within their own budgets, to improve the condition and extend the lifespan of road infrastructure<br>• For Road Infrastructure Strategic Framework for South Africa Class R1, R2 and R3 roads, data collection requirements are:<br>o visual condition data not older than two years for pavements and five years for bridges<br>o instrumental pavement data for roughness, rut depth and macro texture not older than two years<br>o instrumental pavement data for structural strength not older than five years<br>o traffic data not older than three years<br>• For Road Infrastructure Strategic Framework for South Africa Class R4 and R5 roads, data requirements are:<br>o visual condition data not older than three years for pavements and five years for bridges<br>o instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads only<br>o traffic data not older than five years<br>• All road condition data collected must be submitted to the national DoT, and the relevant provincial roads authorities by 30 May 2025<br>• District municipalities must participate in grant management structures, including attending monthly and/or quarterly Rural Roads Asset Management System (RRAMS) progress as well as national meetings<br>• A maximum of 5 per cent of a municipality's allocation may be used to cover costs related to RRAMS coordination. This may include expenses incurred for facilitating meetings between districts and local municipalities, as well as attending RRAMS quarterly meetings with the national DoT<br>• District municipalities must appoint an independent assessor to assess a representative sample of all roads assessed to confirm the correctness of the assessments made by the municipality<br>• This framework must be read in conjunction with the RRAMS practice note |
| **Allocation criteria** | • Allocations are based on the extent of road network and number of local municipalities within a district municipality |
| **Reasons not incorporated in equitable share** | • This is a specific purpose grant for the provision of systems to collect data on traffic and conditions of municipal roads and structures |
| **Past performance** | **2023/24 audited financial outcomes**<br>• Of the R115 million allocated and transferred to municipalities, R104 million (90 per cent) was spent |

| Rural Roads Asset Management Systems Grant | |
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| | **2023/24 service delivery performance**<br>• 12 895 kilometres of paved road network and 30 305 kilometres of unpaved road network were assessed<br>• 10 189 structures identified by the programme in the district municipalities receiving the grant<br>• 149 graduates were recruited into the programme |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | • 2025/26: R126 million; 2026/27: R132 million; and 2027/28: R138 million |
| **Payment schedule** | • Transfers are made in accordance with the payment schedule approved by National Treasury |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Monitor the implementation of RAMS together with provincial road authorities<br>• Undertake data integrity checks<br>• Provide guidance on sustainable RAMS operations and standards<br>• Facilitate interaction between local municipalities and district municipalities in using RRAMS outputs as guidance in municipal road infrastructure management<br>• Manage, monitor and report on the programme<br>• Ensure agreement on the RAMP with participating municipalities<br>• Ensure that municipal road authorities conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road asset data<br>• Support municipalities with planning and implementation of municipal roads projects in terms of the conditions, standards and specifications applicable to this sector |
| | **Responsibilities of municipalities**<br>• Municipalities must make provision to maintain RAMS after the lifespan of the grant<br>• Data for all rural roads to be updated within their frequency of collection as per Technical Method for Highways (TMH)<br>• Recruit unemployed youth graduates with a qualification in B. Eng. Tech or Advanced Diploma in the civil engineering environment for implementation of the programme and in civil engineering works<br>• Ensure human capacity at municipalities for the operation of RAMS is built<br>• Municipalities investing in roads infrastructure must utilise data from the rural RAMS where available, to identify and prioritise their investment on roads projects, including maintenance<br>• Identify and train municipal officials that will be recipients of skills transfer<br>• Ensure that municipal officials participate actively in all activities funded through this grant<br>• Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality<br>• Technical Director, Service provider, graduates and representatives from the host local municipalities must attend and participate in grant quarterly Rural Roads Asset Management System (RRAMS) progress meetings<br>• Submit updated RAMS data in TMH 18 format by 30 May 2025<br>• Submit a 10 per cent verification report of the road network assessed by 30 May 2025 |
| **Process for approval of 2026/27 business plans** | • District municipalities must submit a draft RAMP/business plan and accompanied by a completed TMH22 checklist to DoT by 30 May 2026<br>• District municipalities must submit the final RAMP/business plan signed off by the accounting officer and accompanied by a completed TMH22 checklist by 31 June 2026<br>• RAMP must contain the following:<br>o the extent of the road network in the municipality<br>o the proportion of municipal roads with updated data captured on its RAMS<br>o the condition of the network in the municipality<br>o the maintenance and rehabilitation need of the municipal road network<br>o the status of the municipality's RAMS<br>o status of institutionalisation of RAMS in the district municipality<br>• TMH 22 RAMP guideline can be used as template |

**WATER AND SANITATION GRANTS**

| Regional Bulk Infrastructure Grant | |
|---|---|
| **Transferring department** | • Water and Sanitation (Vote 41) |
| **Grant schedule** | • Schedule 5, Part B and Schedule 6, Part B |
| **Strategic goal** | • Facilitate achievement of targets for access to bulk water and sanitation through successful execution and implementation of bulk projects of regional significance |
| **Grant purpose** | • To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance 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<br>• To implement bulk infrastructure with a potential of addressing water conservation and water demand management (WC/WDM) projects or facilitate and contribute to the implementation of local WC/WDM projects that will directly impact on bulk infrastructure requirements |
| **Outcome statements** | • Access to water supply enabled through regional bulk infrastructure<br>• Proper wastewater management and disposal enabled through regional wastewater infrastructure |
| **Outputs** | • Number of regional bulk water and sanitation projects phases under construction<br>• Number of projects/project phases completed<br>• Number of households targeted to benefit from bulk water and sanitation supply<br>• Number of municipalities benefitting from bulk water and sanitation projects<br>• Number of job opportunities created through implementation of bulk infrastructure projects<br>• Number of households provided with water and sanitation through local source development |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • This grant uses approved implementation readiness studies (IRS) which include the following:<br>o inception/scoping report<br>o technical feasibility report<br>o preliminary and final detailed designs and cost estimates<br>• Schedule 6, Part B projects are implemented through a memorandum of understanding (MoU) which contains cash flow, implementation milestones and specific funding conditions related to the project |
| **Conditions** | • The Regional Bulk Infrastructure Grant (RBIG) is intended to fund the social component of regional bulk water and sanitation projects approved by the Department of Water and Sanitation (DWS), unless exemptions based on affordability are recommended by DWS and approved by National Treasury<br>• The financing plan with associated co-funding agreements must be in place prior to implementation of the project unless exemption to co-funding requirements has been approved by National Treasury<br>• All sources of funding for the full cost of the project must be outlined in the IRS and the MoU<br>• All identified projects must be referenced to and included in the municipal Integrated Development Plan (IDP) and Water Services Development Plans (WSDP) and show linkages to projects under the Municipal Infrastructure Grant (MIG) and the Water Services Infrastructure Grant (WSIG)<br>• Funds may only be used for disaster interventions based on a business plan approved by DWS<br>• Feasibilities studies must consider the results of the green drop, blue drop and no drop assessments in prioritising projects<br>• Municipalities must demonstrate in their IRS how they plan to manage, operate and maintain the infrastructure over the long term<br>• An amount of R1.5 billion in 2025/26 is allocated to the municipalities outlined below, through the Budget Facility for Infrastructure (BFI) and may only be used for the respective purposes of the projects approved:<br>o R574 million for Sol Plaatje Local Municipality for the implementation of the Integrated Bulk Supply System Intervention project<br>o R490 million for Drakenstein Local Municipality for the implementation of the Sanitation Infrastructure project<br>o R390 million for Nelson Mandela Bay Metropolitan Municipality for the implementation of the Water Security Programme - Part A<br>• Should there be cost variations of more than 10 per cent on BFI funded project, the relevant municipality is required to inform the National Treasury and the transferring officer within 30 days of confirming the cost variations<br>• If groundwater is going to be used as a source, the implementation of the project should be done according to the Standard Operating Procedures (SOP) for groundwater resource development for community water supply projects<br>• All legislative requirements for planning, including EIAs, WULAs, Servitude Agreements, WSDP must be met<br>**Schedule 5, Part B allocations**<br>• Municipalities must spend grant funds in line with the IRS and detailed designs approved by DWS<br>• Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second transfers are made<br>• Municipalities must spend at least 50 per cent of their total RBIG allocations transferred by end of December and comply with the reporting provisions before the third transfer is made |

| Regional Bulk Infrastructure Grant | |
|---|---|
| | • Grant funds must be reflected in the capital budget of the municipality<br>• All sources of funding for the cost of the project must be clearly outlined in the approved IRS and/or conditional assessment of refurbishment of existing infrastructure<br>**Schedule 6, Part B allocations**<br>• This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems<br>• The IRS and MoU must be approved by DWS before project commences<br>• All projects must be implemented and transferred in line with the approved IRS and detailed designs |
| **Allocation criteria** | • Projects are assessed individually, and allocations are made by DWS on a project basis, taking into account the following factors:<br>o demand and availability of water<br>o the overall infrastructure needs<br>o the strategic nature of the project<br>o socio-economic importance of an area<br>o impact of the project<br>• This grant is only allocated to Water Services Authorities (local and district municipalities) |
| **Reasons not incorporated in equitable share** | • Regional bulk projects are closely linked to water resource planning and development, which is a DWS competency<br>• Projects may cross municipal boundaries |
| **Past performance** | **2023/24 audited financial outcome**<br>• **Direct transfers (Schedule 5, Part B)**<br>o Of the revised allocation of R3.2 billion allocated and transferred to municipalities, R2.9 billion (91 per cent) was spent<br>• **Allocations-in-kind (Schedule 6, Part B)**<br>o Of the revised budget allocation of R3.2 billion, R3.4 billion (104 per cent) was spent |
| | **2023/24 service delivery performance**<br>• Nine (13) projects and phases were completed: (1) Chris Hani District Municipality Cluster 4 Phase 4 of 9 (bulk pipeline and reservoir from Sikhungwini to Ngxumza); (2) Ikwezi Bulk Water Supply Phase 1 of 1; (3) Chris Hani District Municipality Cluster 6 Phase 5 of 6 Sitholeni rising main (Lokshini bulk supply); (4) Greater Mpofana BWS Phase 1 of 3; (5) Giyani Water Supply; (6) Driekoppies Regional Bulk Water Supply phase 2B, 2C, 3A & 3C of 4; (7) Driekoppies RBWS phase 1 of 4; (8) Balfour/ Siyathemba Regional Bulk Water Supply Phase 2 of 6; (9) Balfour/ Siyathemba Regional Bulk Water Supply Phase 4 of 6; (10) Upington Waste Water Treatment Works Phase 1 of 2; (11); (12) Tulbagh Bulk Water Supply Phase 12 of 13 and (13) Klawer Bulk Water Supply<br>• 102 project phases were under construction |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | **Direct transfers (Schedule 5, Part B):**<br>• 2025/26: R3.8 billion; 2026/27: R3.2 billion; and 2027/28: R3 billion<br>**Allocations-in-kind (Schedule 6, Part B):**<br>• 2025/26: R3.2 billion; 2026/27: R3.2 billion; and 2027/28: R3.4 billion |
| **Payment schedule** | • Transfers for Schedule 5, Part B allocations are made in terms of a payment schedule approved by National Treasury<br>• Payments for Schedule 6, Part B allocations are made after verification of work performed |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility study and IRS processes complies to the RBIG Planning Guidelines<br>• Enter into an MoU with WSAs regarding the construction, ownership, funding arrangements, and operation and maintenance of proposed infrastructure prior to the commencement of construction<br>• If required, ensure the necessary authorisations including environmental impact assessment and water use licences are obtained and servitude agreements<br>• Ensure that the land assessment is done prior to project implementation<br>• Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework)<br>• Ensure that suitable agreements in terms of operation and maintenance are in place<br>• Issue project funding approval letters to benefiting municipalities<br>• Ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates<br>• Upon receipt of invoices from DWS's contracted implementing agents for Schedule 6, Part B projects, verify work done before making payments<br>• Actively monitor the Nelson Mandela Metropolitan Municipality drought relief programme in accordance implementation plan<br>• Ensure implementation of groundwater development projects comply to the groundwater SOP development document |
| | **Responsibilities of water services authorities**<br>• Ensure that projects are appropriately linked to the municipality's IDP and WSDP for projects funded through the MIG and the WSIG |

| Regional Bulk Infrastructure Grant | |
|---|---|
| | • Once a project is completed, ensure adherence to operations and maintenance plans and/or any other requirements agreed to as part of the funding agreement contained in the MoU, and ensure the sustainability of infrastructure<br>• Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects<br>• Ensure provision of reticulation services and/or reticulation infrastructure to connect to the bulk infrastructure funded through this grant<br>• Municipalities to promote the inclusion of adopted innovative solution(s) in water and sanitation infrastructure project(s) development and management<br>• Ensure that business plans of projects where groundwater is being used as a source comply to the requirements stipulated in the Groundwater Development SOP of DWS |
| **Process for approval of 2026/27 business plans** | • All proposed projects which comply with the RBIG criteria must be registered and listed in DWS's bulk master plans<br>• At regional level, a coordination committee of key stakeholders to assist with planning of regional bulk projects and the assessment of the IRS and feasibility studies must be in place<br>• Pre-feasibility studies must assess potential for WC/WDM interventions<br>• IRS and feasibility studies will be evaluated and approved by the transferring officer<br>• Based on the outcome of the IRS, DWS will nominate the implementing agent for the construction phase of Schedule 6, Part B projects and designate the owner of the infrastructure. National Treasury and benefitting municipalities will be informed of the decisions<br>• Projects requiring co-funding exemptions to be submitted to DWS by 31 July 2025 and DWS to make recommendations to the National Treasury by 02 September 2025 |

| Water Services Infrastructure Grant | |
|---|---|
| **Transferring department** | • Water and Sanitation (Vote 41) |
| **Grant schedule** | • Schedule 5, Part B and Schedule 6, Part B |
| **Strategic goal** | • To provide water and sanitation services and reduce backlogs |
| **Grant purpose** | • Facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities<br>• Provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities, including spring protection and groundwater development<br>• Support municipalities with refurbishment of water and sanitation infrastructure, including upgrades<br>• Support municipalities in implementing water conservation and water demand management (WC/WDM) projects<br>• Support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas<br>• Support drought relief projects in affected municipalities |
| **Outcome statements** | • An increased number of households with access to reliable, safe drinking water and sanitation services |
| **Outputs** | • Number of households provided with water and sanitation through:<br>o reticulated water supply<br>o on site sanitation<br>o bucket systems replaced with appropriate sanitation facilities for households identified by the Department of Water and Sanitation (DWS) in the 2015/16 verification process<br>o source identification<br>o water conservation/water demand management provision<br>• Number of Water Services Infrastructure Grant (WSIG) projects under construction<br>• Number of WSIG projects completed<br>• Number of job opportunities created through implementation of water and sanitation projects |
| **Priority of government that this grant primarily contributes to** | • Priority 5: Spatial integration, human settlements and local government |
| **Details contained in the business plan** | • Outcome indicators<br>• Project overview<br>• Project costing<br>• Project milestones<br>• Impact declaration<br>• Schedule 6, Part B projects are implemented through a memorandum of understanding (MoU) which contains cash flow projections, implementation milestones and specific funding conditions related to the project |
| **Conditions** | • All project scope funded must be aligned to and not duplicate, any existing or planned projects funded by other conditional grants or municipal own funds<br>• Municipalities must demonstrate in their business plans how they plan to manage, operate and maintain the infrastructure over the long term<br>• The maximum cost for a WSIG project is R120 million and implementation should not be longer than three years<br>• Projects must be aligned to bulk infrastructure and must be at the scheme level<br>• Business plans must consider the results of the green drop, blue drop, and no drop assessments in prioritising projects<br>• If groundwater is going to be used as a source for any specific project, the implementation of the project should be done according to the Standard Operating Procedures (SOP) for groundwater resource development for community water supply projects<br>**Schedule 5, Part B allocations**<br>• Municipalities must submit business plans signed-off by their Accounting Officer in line with their Water Services Development Plans (WSDPs) aligned to Integrated Development Plans (IDPs)<br>• DWS must approve the business plans before projects can be implemented<br>• Municipalities must only spend funds in line with approved business plans<br>• Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second transfers are made<br>• Municipalities must spend at least 50 per cent of their total WSIG allocations transferred and comply with the reporting provisions before the third transfer is made<br>• Municipalities must submit monthly financial and quarterly non-financial reports to DWS<br>• Funds must be reflected in the capital budget of the municipality<br>• Grant funds must not be spent on operations and maintenance<br>• The Project Management Unit funded through the Municipal Infrastructure Grant should be utilised to manage the implementation of projects funded through this grant<br>• Funds may only be used for disaster relief interventions based on a plan approved by DWS<br>• 5 per cent of the total project cost may be used for planning for the specific project<br>**Schedule 6, Part B allocations**<br>• DWS must enter into an MoU with the relevant municipality before any project is implemented |
| **Allocation criteria** | • Allocations are based on the number of households with water and sanitation backlogs, prioritising the 27 priority district municipalities identified by government |
| **Reasons not incorporated in equitable share** | • The grant is earmarked for specific projects aimed at providing access to basic water and sanitation services |

| Water Services Infrastructure Grant | |
|---|---|
| **Past performance** | **2023/24 audited financial outcomes**<br>• **Direct transfers (Schedule 5, Part B)**<br>o Of the revised allocation of R3.6 billion allocated and transferred to municipalities, R3.3 billion (92 per cent) was spent<br>• **Allocations-in-kind (Schedule 6, Part B):**<br>o Of the revised allocation of R771 million, R353 million (46 per cent) was spent |
| | **2023/24 service delivery performance**<br>• 118 925 households served<br>• 412 jobs created |
| **Projected life** | • This grant continues until 2027/28, subject to review |
| **MTEF allocations** | **Direct transfers (Schedule 5, Part B):**<br>• 2025/26: R4.2 billion; 2026/27: R4.4 billion; and 2027/28: R4.6 billion<br>**Allocations-in-kind (Schedule 6, Part B):**<br>• 2025/26: R1.1 billion; 2026/27: R1.3 billion; and 2027/28: R1.4 billion |
| **Payment schedule** | • For Schedule 5, Part B, transfers are made in accordance with a payment schedule approved by National Treasury<br>• For Schedule 6, Part B, payments are made to contracted implementing agents (including water boards and private service providers) after verification of work performed |
| **Responsibilities of the transferring officer and receiving officer** | **Responsibilities of the national department**<br>• Evaluate and approve the business plans for each project before funds can be transferred<br>• Ensure that the conditions of the grant and approved business plans are adhered to<br>• Ensure that the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects<br>• For Schedule 6B allocations, ensure that implementing agents submit monthly financial and quarterly non-financial reports<br>• Ensure alignment of WSIG projects with projects approved in the MIG implementation plans<br>• In cases where DWS appoints a contractor, the contract between DWS and the appointed contractor must be signed before the project can commence<br>• All drought-related plans and expenditure must be shared with the National Disaster Management Centre<br>• Submit a water services capacity building plan for municipalities to National Treasury by 26 June 2025<br>• Ensure implementation of groundwater development projects comply to the groundwater SOP development document |
| | **Responsibilities of water services authorities**<br>• Compile and submit signed-off business plans for each project aligned to the WSIG framework and SOP (for the relevant financial year)<br>• Sustainably operate and maintain funded water and sanitation projects over their lifetime<br>• Ensure integrated planning for all projects funded through the different grants and programmes<br>• Municipalities must submit a technical report for each project to the regional office<br>• Ensure adequate participation and involvement of the public in each project<br>• Ensure that, if available, the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects<br>• Manage project implementation in line with the business plan<br>• Submit monthly, quarterly and annual progress reports in the format prescribed by DWS<br>• Comply with all the funding conditions agreed to in the business plan and MoU<br>• Municipalities to promote the inclusion of adopted innovative solution(s) in water and sanitation infrastructure project(s) development and management<br>• Ensure that business plans of projects where groundwater is being used as a source comply to the requirements stipulated in the Groundwater Development SOP |
| **Process for approval of 2026/27 business plans** | • Municipalities must submit a technical report for each project to the regional office by 1 July 2025<br>• Regional offices must assess and approve technical reports by 15 August 2025<br>• Municipalities must prepare business plans based on the approved technical reports<br>• Business plans for allocations:<br>o business plans must be submitted by 30 October 2025<br>o business plans must be approved by 02 February 2026<br>• Municipalities must submit implementation plans by 27 May 2026 |

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

**(National and Municipal Financial Years)**

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

| | | | Infrastructure Skills Development Grant | | | Local Government Financial Management Grant | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | SUB-TOTAL: CURRENT[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | | | | | | | | | | |
| A | BUF | Buffalo City | 9 000 | 9 800 | 10 000 | 1 000 | 1 200 | 1 400 | 2 434 | - | - | 12 434 | 11 000 | 11 400 |
| A | NMA | Nelson Mandela Bay | 8 900 | 10 400 | 11 000 | 1 000 | 1 200 | 1 400 | 2 457 | - | - | 12 357 | 11 600 | 12 400 |
| B | EC101 | Dr Beyers Naude | - | - | - | 3 000 | 3 000 | 3 100 | 1 396 | - | - | 4 396 | 3 000 | 3 100 |
| B | EC102 | Blue Crane Route | - | - | - | 2 400 | 2 600 | 2 700 | 1 322 | - | - | 3 722 | 2 600 | 2 700 |
| B | EC104 | Makana | - | - | - | 3 800 | 4 000 | 4 100 | 1 403 | - | - | 5 203 | 4 000 | 4 100 |
| B | EC105 | Ndlambe | - | - | - | 2 500 | 2 700 | 2 800 | 1 489 | - | - | 3 989 | 2 700 | 2 800 |
| B | EC106 | Sundays River Valley | - | - | - | 3 800 | 3 800 | 3 900 | 1 435 | - | - | 5 235 | 3 800 | 3 900 |
| B | EC108 | Kouga | - | - | - | 1 785 | 2 001 | 2 289 | 2 081 | - | - | 3 866 | 2 001 | 2 289 |
| B | EC109 | Kou-Kamma | - | - | - | 2 600 | 2 600 | 2 700 | 1 490 | - | - | 4 090 | 2 600 | 2 700 |
| C | DC10 | Sarah Baartman District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 1 295 | - | - | 2 295 | 1 200 | 1 300 |
| **Total: Sarah Baartman Municipalities** | | | **-** | **-** | **-** | **20 885** | **21 901** | **22 889** | **11 911** | **-** | **-** | **32 796** | **21 901** | **22 889** |
| B | EC121 | Mbhashe | - | - | - | 1 700 | 2 100 | 2 200 | 2 382 | - | - | 4 082 | 2 100 | 2 200 |
| B | EC122 | Mnquma | - | - | - | 1 900 | 2 200 | 2 300 | 2 404 | - | - | 4 304 | 2 200 | 2 300 |
| B | EC123 | Great Kei | - | - | - | 2 400 | 2 600 | 2 700 | 1 327 | - | - | 3 727 | 2 600 | 2 700 |
| B | EC124 | Amahlathi | - | - | - | 2 200 | 2 400 | 2 500 | 1 799 | - | - | 3 999 | 2 400 | 2 500 |
| B | EC126 | Ngqushwa | - | - | - | 3 000 | 3 000 | 3 100 | 1 616 | - | - | 4 616 | 3 000 | 3 100 |
| B | EC129 | Raymond Mhlaba | - | - | - | 2 800 | 2 900 | 3 000 | 3 002 | - | - | 5 802 | 2 900 | 3 000 |
| C | DC12 | Amathole District Municipality | - | - | - | 2 600 | 2 700 | 2 800 | 1 513 | - | - | 4 113 | 2 700 | 2 800 |
| **Total: Amathole Municipalities** | | | **-** | **-** | **-** | **16 600** | **17 900** | **18 600** | **14 043** | **-** | **-** | **30 643** | **17 900** | **18 600** |
| B | EC131 | Inxuba Yethemba | - | - | - | 3 000 | 3 000 | 3 100 | 2 294 | - | - | 5 294 | 3 000 | 3 100 |
| B | EC135 | Intsika Yethu | - | - | - | 2 100 | 2 300 | 2 400 | 2 135 | - | - | 4 235 | 2 300 | 2 400 |
| B | EC136 | Emalahleni | - | - | - | 3 000 | 3 000 | 3 100 | 1 992 | - | - | 4 992 | 3 000 | 3 100 |
| B | EC137 | Dr. A.B. Xuma | - | - | - | 1 800 | 2 100 | 2 200 | 2 253 | - | - | 4 053 | 2 100 | 2 200 |
| B | EC138 | Sakhisizwe | - | - | - | 3 000 | 3 000 | 3 100 | 1 732 | - | - | 4 732 | 3 000 | 3 100 |
| B | EC139 | Enoch Mgijima | - | - | - | 3 000 | 3 000 | 3 100 | 2 719 | - | - | 5 719 | 3 000 | 3 100 |
| C | DC13 | Chris Hani District Municipality | - | - | - | 2 300 | 2 500 | 2 600 | 3 002 | - | - | 5 302 | 2 500 | 2 600 |
| **Total: Chris Hani Municipalities** | | | **-** | **-** | **-** | **18 200** | **18 900** | **19 600** | **16 127** | **-** | **-** | **34 327** | **18 900** | **19 600** |
| B | EC141 | Elundini | - | - | - | 1 800 | 2 000 | 2 100 | 2 079 | - | - | 3 879 | 2 000 | 2 100 |
| B | EC142 | Senqu | - | - | - | 1 800 | 2 000 | 2 100 | 2 058 | - | - | 3 858 | 2 000 | 2 100 |
| B | EC145 | Walter Sisulu | - | - | - | 2 200 | 2 400 | 2 500 | 2 038 | - | - | 4 238 | 2 400 | 2 500 |
| C | DC14 | Joe Gqabi District Municipality | - | - | - | 1 500 | 2 000 | 2 100 | 1 923 | - | - | 3 423 | 2 000 | 2 100 |
| **Total: Joe Gqabi Municipalities** | | | **-** | **-** | **-** | **7 300** | **8 400** | **8 800** | **8 098** | **-** | **-** | **15 398** | **8 400** | **8 800** |
| B | EC153 | Ngquza Hill | - | - | - | 3 000 | 3 000 | 3 100 | 1 716 | - | - | 4 716 | 3 000 | 3 100 |
| B | EC154 | Port St Johns | - | - | - | 2 600 | 2 700 | 2 800 | 1 864 | - | - | 4 464 | 2 700 | 2 800 |
| B | EC155 | Nyandeni | - | - | - | 1 700 | 2 000 | 2 100 | 1 750 | - | - | 3 450 | 2 000 | 2 100 |
| B | EC156 | Mhlontlo | - | - | - | 2 300 | 2 500 | 2 600 | 1 982 | - | - | 4 282 | 2 500 | 2 600 |
| B | EC157 | King Sabata Dalindyebo | 4 000 | 5 100 | 5 100 | 2 800 | 3 000 | 3 100 | 2 934 | - | - | 9 734 | 8 100 | 8 200 |
| C | DC15 | O.R. Tambo District Municipality | - | - | - | 2 000 | 2 200 | 2 300 | 3 628 | - | - | 5 628 | 2 200 | 2 300 |
| **Total: O.R. Tambo Municipalities** | | | **4 000** | **5 100** | **5 100** | **14 400** | **15 400** | **16 000** | **13 874** | **-** | **-** | **32 274** | **20 500** | **21 100** |
| B | EC441 | Matatiele | - | - | - | 1 800 | 2 000 | 2 200 | 2 980 | - | - | 4 780 | 2 000 | 2 200 |
| B | EC442 | Umzimvubu | - | - | - | 1 800 | 2 000 | 2 100 | 2 773 | - | - | 4 573 | 2 000 | 2 100 |
| B | EC443 | Winnie Madikizela-Mandela | - | - | - | 2 100 | 2 300 | 2 400 | 3 111 | - | - | 5 211 | 2 300 | 2 400 |
| B | EC444 | Ntabankulu | - | - | - | 2 700 | 2 900 | 3 000 | 2 597 | - | - | 5 297 | 2 900 | 3 000 |
| C | DC44 | Alfred Nzo District Municipality | 5 100 | 6 400 | 5 400 | 2 000 | 2 200 | 2 300 | 3 319 | - | - | 10 419 | 8 600 | 7 700 |
| **Total: Alfred Nzo Municipalities** | | | **5 100** | **6 400** | **5 400** | **10 400** | **11 400** | **12 000** | **14 780** | **-** | **-** | **30 280** | **17 800** | **17 400** |
| **Total: Eastern Cape Municipalities** | | | **27 000** | **31 700** | **31 500** | **89 785** | **96 301** | **100 689** | **83 724** | **-** | **-** | **200 509** | **128 001** | **132 189** |

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

| | | | Infrastructure Skills Development Grant | | | Local Government Financial Management Grant | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | SUB-TOTAL: CURRENT[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **FREE STATE** | | | | | | | | | | | | | | |
| A | MAN | Mangaung | - | - | - | 2 000 | 2 200 | 2 300 | 1 524 | - | - | 3 524 | 2 200 | 2 300 |
| B | FS161 | Letsemeng | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | FS162 | Kopanong | - | - | - | 2 300 | 2 500 | 2 600 | 1 324 | - | - | 3 624 | 2 500 | 2 600 |
| B | FS163 | Mohokare | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| C | DC16 | Xhariep District Municipality | - | - | - | 1 800 | 2 000 | 2 100 | 1 303 | - | - | 3 103 | 2 000 | 2 100 |
| **Total: Xhariep Municipalities** | | | **-** | **-** | **-** | **10 100** | **10 500** | **10 900** | **2 627** | **-** | **-** | **12 727** | **10 500** | **10 900** |
| B | FS181 | Masilonyana | - | - | - | 2 600 | 2 700 | 2 800 | 1 354 | - | - | 3 954 | 2 700 | 2 800 |
| B | FS182 | Tokologo | - | - | - | 3 000 | 3 000 | 3 100 | 1 256 | - | - | 4 256 | 3 000 | 3 100 |
| B | FS183 | Tswelopele | - | - | - | 2 100 | 2 300 | 2 400 | 1 659 | - | - | 3 759 | 2 300 | 2 400 |
| B | FS184 | Matjhabeng | - | - | - | 3 000 | 3 000 | 3 100 | 1 687 | - | - | 4 687 | 3 000 | 3 100 |
| B | FS185 | Nala | - | - | - | 3 000 | 3 000 | 3 100 | 1 376 | - | - | 4 376 | 3 000 | 3 100 |
| C | DC18 | Lejweleputswa District Municipality | - | - | - | 1 000 | 1 200 | 1 400 | 1 414 | - | - | 2 414 | 1 200 | 1 400 |
| **Total: Lejweleputswa Municipalities** | | | **-** | **-** | **-** | **14 700** | **15 200** | **15 900** | **8 746** | **-** | **-** | **23 446** | **15 200** | **15 900** |
| B | FS191 | Setsoto | - | - | - | 2 000 | 2 200 | 2 300 | 1 880 | - | - | 3 880 | 2 200 | 2 300 |
| B | FS192 | Dihlabeng | - | - | - | 2 700 | 2 800 | 2 900 | 1 756 | - | - | 4 456 | 2 800 | 2 900 |
| B | FS193 | Nketoana | - | - | - | 2 800 | 2 900 | 3 000 | 1 440 | - | - | 4 240 | 2 900 | 3 000 |
| B | FS194 | Maluti-a-Phofung | - | - | - | 3 000 | 3 000 | 3 100 | 3 127 | - | - | 6 127 | 3 000 | 3 100 |
| B | FS195 | Phumelela | - | - | - | 3 000 | 3 000 | 3 100 | 1 399 | - | - | 4 399 | 3 000 | 3 100 |
| B | FS196 | Mantsopa | - | - | - | 3 000 | 3 000 | 3 100 | 1 408 | - | - | 4 408 | 3 000 | 3 100 |
| C | DC19 | Thabo Mofutsanyana District Municipality | - | - | - | 2 300 | 2 500 | 2 600 | 1 968 | - | - | 4 268 | 2 500 | 2 600 |
| **Total: Thabo Mofutsanyana Municipalities** | | | **-** | **-** | **-** | **18 800** | **19 400** | **20 100** | **12 978** | **-** | **-** | **31 778** | **19 400** | **20 100** |
| B | FS201 | Moqhaka | - | - | - | 2 300 | 2 500 | 2 600 | 1 496 | - | - | 3 796 | 2 500 | 2 600 |
| B | FS203 | Ngwathe | - | - | - | 3 000 | 3 000 | 3 100 | 2 553 | - | - | 5 553 | 3 000 | 3 100 |
| B | FS204 | Metsimaholo | - | - | - | 2 700 | 2 800 | 2 900 | 1 348 | - | - | 4 048 | 2 800 | 2 900 |
| B | FS205 | Mafube | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| C | DC20 | Fezile Dabi District Municipality | - | - | - | 1 400 | 1 600 | 1 800 | 1 333 | - | - | 2 733 | 1 600 | 1 800 |
| **Total: Fezile Dabi Municipalities** | | | **-** | **-** | **-** | **12 400** | **12 900** | **13 500** | **6 730** | **-** | **-** | **19 130** | **12 900** | **13 500** |
| **Total: Free State Municipalities** | | | **-** | **-** | **-** | **58 000** | **60 200** | **62 700** | **32 605** | **-** | **-** | **90 605** | **60 200** | **62 700** |
| **GAUTENG** | | | | | | | | | | | | | | |
| A | EKU | City of Ekurhuleni | - | - | - | 1 000 | 1 200 | 1 500 | 9 597 | - | - | 10 597 | 1 200 | 1 500 |
| A | JHB | City of Johannesburg | 9 500 | 9 700 | 9 900 | 1 000 | 1 200 | 1 400 | 4 000 | - | - | 14 500 | 10 900 | 11 300 |
| A | TSH | City of Tshwane | - | - | - | 2 000 | 2 200 | 2 300 | 9 308 | - | - | 11 308 | 2 200 | 2 300 |
| B | GT421 | Emfuleni | - | - | - | 2 000 | 2 200 | 2 300 | 4 286 | - | - | 6 286 | 2 200 | 2 300 |
| B | GT422 | Midvaal | - | - | - | 2 000 | 2 200 | 2 300 | 2 077 | - | - | 4 077 | 2 200 | 2 300 |
| B | GT423 | Lesedi | - | - | - | 2 000 | 2 200 | 2 300 | 1 332 | - | - | 3 332 | 2 200 | 2 300 |
| C | DC42 | Sedibeng District Municipality | - | - | - | 1 500 | 1 700 | 1 900 | 1 884 | - | - | 3 384 | 1 700 | 1 900 |
| **Total: Sedibeng Municipalities** | | | **-** | **-** | **-** | **7 500** | **8 300** | **8 800** | **9 579** | **-** | **-** | **17 079** | **8 300** | **8 800** |
| B | GT481 | Mogale City | - | - | - | 1 900 | 2 100 | 2 200 | 2 049 | - | - | 3 949 | 2 100 | 2 200 |
| B | GT484 | Merafong City | - | - | - | 2 800 | 2 900 | 3 000 | 1 553 | - | - | 4 353 | 2 900 | 3 000 |
| B | GT485 | Rand West City | - | - | - | 2 300 | 2 200 | 2 300 | 2 611 | - | - | 4 911 | 2 200 | 2 300 |
| C | DC48 | West Rand District Municipality | - | - | - | 1 300 | 1 500 | 1 600 | 1 649 | - | - | 2 949 | 1 500 | 1 600 |
| **Total: West Rand Municipalities** | | | **-** | **-** | **-** | **8 300** | **8 700** | **9 100** | **7 862** | **-** | **-** | **16 162** | **8 700** | **9 100** |
| **Total: Gauteng Municipalities** | | | **9 500** | **9 700** | **9 900** | **19 800** | **21 600** | **23 100** | **40 346** | **-** | **-** | **69 646** | **31 300** | **33 000** |

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

| | | | Infrastructure Skills Development Grant | | | Local Government Financial Management Grant | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | SUB-TOTAL: CURRENT[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| **KWAZULU-NATAL** | | | | | | | | | | | | | | |
| A | ETH | eThekwini | 26 500 | 26 000 | 26 000 | 1 000 | 1 200 | 1 300 | 8 517 | - | - | 36 017 | 27 200 | 27 300 |
| B | KZN212 | uMdoni | - | - | - | 2 000 | 2 200 | 2 300 | 1 385 | - | - | 3 385 | 2 200 | 2 300 |
| B | KZN213 | uMzumbe | - | - | - | 1 900 | 2 100 | 2 200 | 1 428 | - | - | 3 328 | 2 100 | 2 200 |
| B | KZN214 | uMuziwabantu | - | - | - | 1 900 | 2 200 | 2 300 | 1 525 | - | - | 3 425 | 2 200 | 2 300 |
| B | KZN216 | Ray Nkonyeni | - | - | - | 2 000 | 2 200 | 2 300 | 3 159 | - | - | 5 159 | 2 200 | 2 300 |
| C | DC21 | Ugu District Municipality | - | - | - | 2 000 | 2 200 | 2 300 | 3 222 | - | - | 5 222 | 2 200 | 2 300 |
| **Total: Ugu Municipalities** | | | **-** | **-** | **-** | **9 800** | **10 900** | **11 400** | **10 719** | **-** | **-** | **20 519** | **10 900** | **11 400** |
| B | KZN221 | uMshwathi | - | - | - | 2 000 | 2 200 | 2 300 | 1 794 | - | - | 3 794 | 2 200 | 2 300 |
| B | KZN222 | uMngeni | - | - | - | 1 900 | 2 100 | 2 200 | 1 584 | - | - | 3 484 | 2 100 | 2 200 |
| B | KZN223 | Mpofana | - | - | - | 3 000 | 3 000 | 3 100 | 1 400 | - | - | 4 400 | 3 000 | 3 100 |
| B | KZN224 | iMpendle | - | - | - | 2 400 | 2 600 | 2 700 | 1 643 | - | - | 4 043 | 2 600 | 2 700 |
| B | KZN225 | Msunduzi | - | - | - | 2 000 | 2 200 | 2 300 | 2 624 | - | - | 4 624 | 2 200 | 2 300 |
| B | KZN226 | Mkhambathini | - | - | - | 3 000 | 3 000 | 3 100 | 2 204 | - | - | 5 204 | 3 000 | 3 100 |
| B | KZN227 | Richmond | - | - | - | 2 000 | 2 200 | 2 300 | 2 054 | - | - | 4 054 | 2 200 | 2 300 |
| C | DC22 | uMgungundlovu District Municipality | - | - | - | 1 200 | 1 200 | 1 300 | 1 713 | - | - | 2 913 | 1 200 | 1 300 |
| **Total: uMgungundlovu Municipalities** | | | **-** | **-** | **-** | **17 500** | **18 500** | **19 300** | **15 016** | **-** | **-** | **32 516** | **18 500** | **19 300** |
| B | KZN235 | Okhahlamba | - | - | - | 1 900 | 2 100 | 2 200 | 2 333 | - | - | 4 233 | 2 100 | 2 200 |
| B | KZN237 | iNkosi Langalibalele | - | - | - | 3 500 | 3 500 | 3 600 | 1 398 | - | - | 4 898 | 3 500 | 3 600 |
| B | KZN238 | Alfred Duma | 4 000 | 4 000 | 4 000 | 2 000 | 2 200 | 2 300 | 2 657 | - | - | 8 657 | 6 200 | 6 300 |
| C | DC23 | uThukela District Municipality | - | - | - | 2 000 | 2 200 | 2 300 | 2 093 | - | - | 4 093 | 2 200 | 2 300 |
| **Total: uThukela Municipalities** | | | **4 000** | **4 000** | **4 000** | **9 400** | **10 000** | **10 400** | **8 481** | **-** | **-** | **21 881** | **14 000** | **14 400** |
| B | KZN241 | eNdumeni | - | - | - | 2 000 | 2 200 | 2 300 | 1 699 | - | - | 3 699 | 2 200 | 2 300 |
| B | KZN242 | Nquthu | - | - | - | 1 900 | 2 100 | 2 200 | 1 639 | - | - | 3 539 | 2 100 | 2 200 |
| B | KZN244 | uMsinga | - | - | - | 1 900 | 2 100 | 2 200 | 2 331 | - | - | 4 231 | 2 100 | 2 200 |
| B | KZN245 | uMvoti | - | - | - | 2 500 | 2 700 | 2 800 | 2 142 | - | - | 4 642 | 2 700 | 2 800 |
| C | DC24 | uMzinyathi District Municipality | - | - | - | 3 000 | 3 000 | 3 100 | 5 687 | - | - | 8 687 | 3 000 | 3 100 |
| **Total: uMzinyathi Municipalities** | | | **-** | **-** | **-** | **11 300** | **12 100** | **12 600** | **13 498** | **-** | **-** | **24 798** | **12 100** | **12 600** |
| B | KZN252 | Newcastle | - | - | - | 1 900 | 2 100 | 2 200 | 2 791 | - | - | 4 691 | 2 100 | 2 200 |
| B | KZN253 | eMadlangeni | - | - | - | 3 000 | 3 000 | 3 100 | 1 341 | - | - | 4 341 | 3 000 | 3 100 |
| B | KZN254 | Dannhauser | - | - | - | 2 000 | 2 200 | 2 300 | 1 569 | - | - | 3 569 | 2 200 | 2 300 |
| C | DC25 | Amajuba District Municipality | - | - | - | 3 800 | 3 800 | 3 900 | 2 070 | - | - | 5 870 | 3 800 | 3 900 |
| **Total: Amajuba Municipalities** | | | **-** | **-** | **-** | **10 700** | **11 100** | **11 500** | **7 771** | **-** | **-** | **18 471** | **11 100** | **11 500** |
| B | KZN261 | eDumbe | - | - | - | 3 000 | 3 000 | 3 100 | 1 487 | - | - | 4 487 | 3 000 | 3 100 |
| B | KZN262 | uPhongolo | - | - | - | 3 000 | 3 000 | 3 100 | 2 170 | - | - | 5 170 | 3 000 | 3 100 |
| B | KZN263 | AbaQulusi | - | - | - | 3 000 | 3 000 | 3 100 | 2 742 | - | - | 5 742 | 3 000 | 3 100 |
| B | KZN265 | Nongoma | - | - | - | 2 000 | 2 200 | 2 300 | 1 779 | - | - | 3 779 | 2 200 | 2 300 |
| B | KZN266 | Ulundi | - | - | - | 2 000 | 2 200 | 2 300 | 3 029 | - | - | 5 029 | 2 200 | 2 300 |
| C | DC26 | Zululand District Municipality | - | - | - | 1 300 | 1 500 | 1 600 | 6 406 | - | - | 7 706 | 1 500 | 1 600 |
| **Total: Zululand Municipalities** | | | **-** | **-** | **-** | **14 300** | **14 900** | **15 500** | **17 613** | **-** | **-** | **31 913** | **14 900** | **15 500** |
| B | KZN271 | uMhlabuyalingana | - | - | - | 1 900 | 2 200 | 2 300 | 2 336 | - | - | 4 236 | 2 200 | 2 300 |
| B | KZN272 | Jozini | - | - | - | 3 000 | 3 000 | 3 100 | 3 839 | - | - | 6 839 | 3 000 | 3 100 |
| B | KZN275 | Inkosi uMtubatuba | - | - | - | 2 000 | 2 200 | 2 300 | 2 059 | - | - | 4 059 | 2 200 | 2 300 |
| B | KZN276 | Big Five Hlabisa | - | - | - | 2 700 | 2 800 | 2 900 | 2 042 | - | - | 4 742 | 2 800 | 2 900 |
| C | DC27 | uMkhanyakude District Municipality | - | - | - | 3 500 | 3 500 | 3 600 | 3 921 | - | - | 7 421 | 3 500 | 3 600 |
| **Total: uMkhanyakude Municipalities** | | | **-** | **-** | **-** | **13 100** | **13 700** | **14 200** | **14 197** | **-** | **-** | **27 297** | **13 700** | **14 200** |
| B | KZN281 | uMfolozi | - | - | - | 1 900 | 2 000 | 2 100 | 2 376 | - | - | 4 276 | 2 000 | 2 100 |
| B | KZN282 | uMhlathuze | - | - | - | 2 500 | 2 600 | 2 700 | 3 707 | - | - | 6 207 | 2 600 | 2 700 |
| B | KZN284 | uMlalazi | - | - | - | 1 900 | 2 000 | 2 100 | 2 794 | - | - | 4 694 | 2 000 | 2 100 |
| B | KZN285 | Mthonjaneni | - | - | - | 2 800 | 2 800 | 2 900 | 1 871 | - | - | 4 671 | 2 800 | 2 900 |
| B | KZN286 | Nkandla | - | - | - | 2 600 | 2 600 | 2 700 | 2 566 | - | - | 5 166 | 2 600 | 2 700 |
| C | DC28 | King Cetshwayo District Municipality | - | - | - | 1 300 | 1 400 | 1 500 | 5 207 | - | - | 6 507 | 1 400 | 1 500 |
| **Total: King Cetshwayo Municipalities** | | | **-** | **-** | **-** | **13 000** | **13 400** | **14 000** | **18 521** | **-** | **-** | **31 521** | **13 400** | **14 000** |
| B | KZN291 | Mandeni | - | - | - | 1 900 | 2 000 | 2 100 | 1 714 | - | - | 3 614 | 2 000 | 2 100 |
| B | KZN292 | KwaDukuza | - | - | - | 1 900 | 2 000 | 2 100 | 1 957 | - | - | 3 857 | 2 000 | 2 100 |
| B | KZN293 | Ndwedwe | - | - | - | 3 000 | 3 000 | 3 100 | 2 320 | - | - | 5 320 | 3 000 | 3 100 |
| B | KZN294 | Maphumulo | - | - | - | 1 900 | 2 000 | 2 100 | 1 784 | - | - | 3 684 | 2 000 | 2 100 |
| C | DC29 | iLembe District Municipality | - | - | - | 1 100 | 1 200 | 1 300 | 3 193 | - | - | 4 293 | 1 200 | 1 300 |
| **Total: iLembe Municipalities** | | | **-** | **-** | **-** | **9 800** | **10 200** | **10 700** | **10 968** | **-** | **-** | **20 768** | **10 200** | **10 700** |
| B | KZN433 | Greater Kokstad | - | - | - | 1 900 | 2 000 | 2 100 | 1 953 | - | - | 3 853 | 2 000 | 2 100 |
| B | KZN434 | Johannes Phumani Phungula | - | - | - | 2 000 | 2 100 | 2 200 | 1 956 | - | - | 3 956 | 2 100 | 2 200 |
| B | KZN435 | uMzimkhulu | - | - | - | 1 900 | 2 000 | 2 100 | 2 812 | - | - | 4 712 | 2 000 | 2 100 |
| B | KZN436 | Dr Nkosazana Dlamini Zuma | - | - | - | 2 000 | 2 100 | 2 200 | 2 135 | - | - | 4 135 | 2 100 | 2 200 |
| C | DC43 | Harry Gwala District Municipality | - | - | - | 1 300 | 1 400 | 1 500 | 3 660 | - | - | 4 960 | 1 400 | 1 500 |
| **Total: Harry Gwala Municipalities** | | | **-** | **-** | **-** | **9 100** | **9 600** | **10 100** | **12 516** | **-** | **-** | **21 616** | **9 600** | **10 100** |
| **Total: KwaZulu-Natal Municipalities** | | | **30 500** | **30 000** | **30 000** | **119 000** | **125 600** | **131 000** | **137 817** | **-** | **-** | **287 317** | **155 600** | **161 000** |

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

| Category | Municipality | Infrastructure Skills Development Grant | | | Local Government Financial Management Grant | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | SUB-TOTAL: CURRENT[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **LIMPOPO** | | | | | | | | | | | | | |
| B | LIM331 Greater Giyani | - | - | - | 2 400 | 2 500 | 2 600 | 3 708 | - | - | 6 108 | 2 500 | 2 600 |
| B | LIM332 Greater Letaba | - | - | - | 2 000 | 2 100 | 2 200 | 2 003 | - | - | 4 003 | 2 100 | 2 200 |
| B | LIM333 Greater Tzaneen | - | - | - | 2 000 | 2 100 | 2 200 | 4 811 | - | - | 6 811 | 2 100 | 2 200 |
| B | LIM334 Ba-Phalaborwa | - | - | - | 3 000 | 3 000 | 3 100 | 1 806 | - | - | 4 806 | 3 000 | 3 100 |
| B | LIM335 Maruleng | - | - | - | 1 900 | 2 000 | 2 200 | 1 512 | - | - | 3 412 | 2 000 | 2 200 |
| C | DC33 Mopani District Municipality | - | - | - | 3 000 | 3 000 | 3 100 | 7 838 | - | - | 10 838 | 3 000 | 3 100 |
| **Total: Mopani Municipalities** | | **-** | **-** | **-** | **14 300** | **14 700** | **15 400** | **21 678** | **-** | **-** | **35 978** | **14 700** | **15 400** |
| B | LIM341 Musina | - | - | - | 3 000 | 3 000 | 3 100 | 1 986 | - | - | 4 986 | 3 000 | 3 100 |
| B | LIM343 Thulamela | 4 800 | 5 000 | 5 500 | 1 900 | 2 000 | 2 100 | 3 802 | - | - | 10 502 | 7 000 | 7 600 |
| B | LIM344 Makhado | - | - | - | 2 000 | 2 100 | 2 200 | 3 323 | - | - | 5 323 | 2 100 | 2 200 |
| B | LIM345 Collins Chabane | - | - | - | 2 500 | 2 600 | 2 700 | 2 148 | - | - | 4 648 | 2 600 | 2 700 |
| C | DC34 Vhembe District Municipality | 4 800 | 7 000 | 7 000 | 3 000 | 3 000 | 3 100 | 3 557 | - | - | 11 357 | 10 000 | 10 100 |
| **Total: Vhembe Municipalities** | | **9 600** | **12 000** | **12 500** | **12 400** | **12 700** | **13 200** | **14 816** | **-** | **-** | **36 816** | **24 700** | **25 700** |
| B | LIM351 Blouberg | - | - | - | 2 400 | 2 500 | 2 600 | 1 769 | - | - | 4 169 | 2 500 | 2 600 |
| B | LIM353 Molemole | - | - | - | 2 200 | 2 300 | 2 400 | 1 405 | - | - | 3 605 | 2 300 | 2 400 |
| B | LIM354 Polokwane | 8 000 | 8 000 | 9 500 | 2 400 | 2 500 | 2 600 | 6 531 | - | - | 16 931 | 10 500 | 12 100 |
| B | LIM355 Lepele-Nkumpi | - | - | - | 2 000 | 2 100 | 2 200 | 1 891 | - | - | 3 891 | 2 100 | 2 200 |
| C | DC35 Capricorn District Municipality | - | - | - | 1 000 | 1 200 | 1 400 | 3 659 | - | - | 4 659 | 1 200 | 1 400 |
| **Total: Capricorn Municipalities** | | **8 000** | **8 000** | **9 500** | **10 000** | **10 600** | **11 200** | **15 255** | **-** | **-** | **33 255** | **18 600** | **20 700** |
| B | LIM361 Thabazimbi | - | - | - | 3 000 | 3 000 | 3 100 | 1 454 | - | - | 4 454 | 3 000 | 3 100 |
| B | LIM362 Lephalale | - | - | - | 1 900 | 2 000 | 2 200 | 1 478 | - | - | 3 378 | 2 000 | 2 200 |
| B | LIM366 Bela-Bela | - | - | - | 1 900 | 2 000 | 2 100 | 1 560 | - | - | 3 460 | 2 000 | 2 100 |
| B | LIM367 Mogalakwena | - | - | - | 3 500 | 3 500 | 3 600 | 1 608 | - | - | 5 108 | 3 500 | 3 600 |
| B | LIM368 Modimolle-Mookgophong | - | - | - | 2 600 | 2 600 | 2 700 | 2 031 | - | - | 4 631 | 2 600 | 2 700 |
| C | DC36 Waterberg District Municipality | 3 000 | 7 000 | 7 000 | 1 100 | 1 200 | 1 400 | - | - | - | 4 100 | 8 200 | 8 400 |
| **Total: Waterberg Municipalities** | | **3 000** | **7 000** | **7 000** | **14 000** | **14 300** | **15 100** | **8 131** | **-** | **-** | **25 131** | **21 300** | **22 100** |
| B | LIM471 Ephraim Mogale | - | - | - | 3 000 | 3 000 | 3 100 | 1 629 | - | - | 4 629 | 3 000 | 3 100 |
| B | LIM472 Elias Motsoaledi | - | - | - | 2 800 | 2 800 | 2 900 | 2 862 | - | - | 5 662 | 2 800 | 2 900 |
| B | LIM473 Makhuduthamaga | - | - | - | 1 900 | 2 000 | 2 200 | 2 443 | - | - | 4 343 | 2 000 | 2 200 |
| B | LIM476 Fetakgomo Tubatse | - | - | - | 2 500 | 2 600 | 2 700 | 2 099 | - | - | 4 599 | 2 600 | 2 700 |
| C | DC47 Sekhukhune District Municipality | - | - | - | 2 400 | 2 500 | 2 600 | 8 403 | - | - | 10 803 | 2 500 | 2 600 |
| **Total: Sekhukhune Municipalities** | | **-** | **-** | **-** | **12 600** | **12 900** | **13 500** | **17 436** | **-** | **-** | **30 036** | **12 900** | **13 500** |
| **Total: Limpopo Municipalities** | | **20 600** | **27 000** | **29 000** | **63 300** | **65 200** | **68 400** | **77 316** | **-** | **-** | **161 216** | **92 200** | **97 400** |
| **MPUMALANGA** | | | | | | | | | | | | | |
| B | MP301 Chief Albert Luthuli | - | - | - | 2 000 | 2 100 | 2 200 | 2 643 | - | - | 4 643 | 2 100 | 2 200 |
| B | MP302 Msukaligwa | - | - | - | 3 800 | 3 800 | 3 900 | 1 930 | - | - | 5 730 | 3 800 | 3 900 |
| B | MP303 Mkhondo | - | - | - | 3 000 | 3 000 | 3 100 | 2 159 | - | - | 5 159 | 3 000 | 3 100 |
| B | MP304 Dr Pixley ka Isaka Seme | - | - | - | 2 400 | 2 500 | 2 600 | 2 206 | - | - | 4 606 | 2 500 | 2 600 |
| B | MP305 Lekwa | - | - | - | 2 800 | 2 800 | 2 900 | 2 203 | - | - | 5 003 | 2 800 | 2 900 |
| B | MP306 Dipaleseng | - | - | - | 2 800 | 2 800 | 2 900 | 1 502 | - | - | 4 302 | 2 800 | 2 900 |
| B | MP307 Govan Mbeki | 22 774 | 24 288 | 24 859 | 3 500 | 3 500 | 3 600 | 2 939 | - | - | 29 213 | 27 788 | 28 459 |
| C | DC30 Gert Sibande District Municipality | 16 700 | 15 000 | 15 000 | 1 200 | 1 300 | 1 500 | 2 280 | - | - | 20 180 | 16 300 | 16 500 |
| **Total: Gert Sibande Municipalities** | | **39 474** | **39 288** | **39 859** | **21 500** | **21 800** | **22 700** | **17 862** | **-** | **-** | **78 836** | **61 088** | **62 559** |
| B | MP311 Victor Khanye | - | - | - | 1 900 | 2 000 | 2 100 | 1 976 | - | - | 3 876 | 2 000 | 2 100 |
| B | MP312 Emalahleni | - | - | - | 3 000 | 3 000 | 3 100 | 4 434 | - | - | 7 434 | 3 000 | 3 100 |
| B | MP313 Steve Tshwete | - | - | - | 1 900 | 2 000 | 2 100 | 2 210 | - | - | 4 110 | 2 000 | 2 100 |
| B | MP314 Emakhazeni | - | - | - | 3 800 | 4 000 | 4 100 | 2 178 | - | - | 5 978 | 4 000 | 4 100 |
| B | MP315 Thembisile Hani | - | - | - | 1 900 | 2 000 | 2 100 | 2 801 | - | - | 4 701 | 2 000 | 2 100 |
| B | MP316 Dr JS Moroka | - | - | - | 2 400 | 2 500 | 2 600 | 2 400 | - | - | 4 800 | 2 500 | 2 600 |
| C | DC31 Nkangala District Municipality | - | - | - | 1 100 | 1 200 | 1 400 | 2 374 | - | - | 3 474 | 1 200 | 1 400 |
| **Total: Nkangala Municipalities** | | **-** | **-** | **-** | **16 000** | **16 700** | **17 500** | **18 373** | **-** | **-** | **34 373** | **16 700** | **17 500** |
| B | MP321 Thaba Chweu | - | - | - | 3 000 | 3 000 | 3 100 | 2 103 | - | - | 5 103 | 3 000 | 3 100 |
| B | MP324 Nkomazi | - | - | - | 1 900 | 2 000 | 2 200 | 4 378 | - | - | 6 278 | 2 000 | 2 200 |
| B | MP325 Bushbuckridge | - | - | - | 2 600 | 2 600 | 2 700 | 2 929 | - | - | 5 529 | 2 600 | 2 700 |
| B | MP326 City of Mbombela | - | - | - | 2 600 | 2 600 | 2 700 | 5 777 | - | - | 8 377 | 2 600 | 2 700 |
| C | DC32 Ehlanzeni District Municipality | 3 000 | 3 000 | 4 000 | 1 100 | 1 200 | 1 400 | 1 928 | - | - | 6 028 | 4 200 | 5 400 |
| **Total: Ehlanzeni Municipalities** | | **3 000** | **3 000** | **4 000** | **11 200** | **11 400** | **12 100** | **17 115** | **-** | **-** | **31 315** | **14 400** | **16 100** |
| **Total: Mpumalanga Municipalities** | | **42 474** | **42 288** | **43 859** | **48 700** | **49 900** | **52 300** | **53 350** | **-** | **-** | **144 524** | **92 188** | **96 159** |

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

| | | Infrastructure Skills Development Grant | | | Local Government Financial Management Grant | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | SUB-TOTAL: CURRENT[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| **NORTHERN CAPE** | | | | | | | | | | | | | |
| B | NC061 Richtersveld | - | - | - | 2 600 | 2 600 | 2 700 | 1 347 | - | - | 3 947 | 2 600 | 2 700 |
| B | NC062 Nama Khoi | - | - | - | 3 000 | 3 000 | 3 100 | 1 601 | - | - | 4 601 | 3 000 | 3 100 |
| B | NC064 Kamiesberg | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC065 Hantam | - | - | - | 2 000 | 2 100 | 2 200 | 1 269 | - | - | 3 269 | 2 100 | 2 200 |
| B | NC066 Karoo Hoogland | - | - | - | 2 600 | 2 600 | 2 700 | 1 276 | - | - | 3 876 | 2 600 | 2 700 |
| B | NC067 Khâi-Ma | - | - | - | 2 900 | 2 900 | 3 000 | - | - | - | 2 900 | 2 900 | 3 000 |
| C | DC6 Namakwa District Municipality | - | - | - | 2 000 | 2 100 | 2 200 | - | - | - | 2 000 | 2 100 | 2 200 |
| **Total: Namakwa Municipalities** | | **-** | **-** | **-** | **18 100** | **18 300** | **19 000** | **5 493** | **-** | **-** | **23 593** | **18 300** | **19 000** |
| B | NC071 Ubuntu | - | - | - | 2 900 | 2 900 | 3 000 | 1 256 | - | - | 4 156 | 2 900 | 3 000 |
| B | NC072 Umsobomvu | - | - | - | 2 000 | 2 100 | 2 200 | 1 321 | - | - | 3 321 | 2 100 | 2 200 |
| B | NC073 Emthanjeni | - | - | - | 1 800 | 2 000 | 2 100 | - | - | - | 1 800 | 2 000 | 2 100 |
| B | NC074 Kareeberg | - | - | - | 2 800 | 2 800 | 2 900 | - | - | - | 2 800 | 2 800 | 2 900 |
| B | NC075 Renosterberg | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC076 Thembelihle | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC077 Siyathemba | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC078 Siyancuma | - | - | - | 3 000 | 3 000 | 3 100 | 1 303 | - | - | 4 303 | 3 000 | 3 100 |
| C | DC7 Pixley Ka Seme District Municipality | - | - | - | 1 800 | 2 000 | 2 100 | 1 254 | - | - | 3 054 | 2 000 | 2 100 |
| **Total: Pixley Ka Seme Municipalities** | | **-** | **-** | **-** | **23 300** | **23 800** | **24 700** | **5 134** | **-** | **-** | **28 434** | **23 800** | **24 700** |
| B | NC082 !Kai !Garib | - | - | - | 3 800 | 3 800 | 3 900 | 1 318 | - | - | 5 118 | 3 800 | 3 900 |
| B | NC084 !Kheis | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC085 Tsantsabane | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC086 Kgatelopele | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| B | NC087 Dawid Kruiper | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| C | DC8 Z.F. Mgcawu District Municipality | - | - | - | 1 200 | 1 300 | 1 400 | 1 274 | - | - | 2 474 | 1 300 | 1 400 |
| **Total: Z.F. Mgcawu Municipalities** | | **-** | **-** | **-** | **17 000** | **17 100** | **17 700** | **2 592** | **-** | **-** | **19 592** | **17 100** | **17 700** |
| B | NC091 Sol Plaatjie | 4 400 | 4 500 | 7 000 | 1 800 | 2 000 | 2 100 | 4 442 | - | - | 10 642 | 6 500 | 9 100 |
| B | NC092 Dikgatlong | - | - | - | 3 000 | 3 000 | 3 100 | 1 386 | - | - | 4 386 | 3 000 | 3 100 |
| B | NC093 Magareng | - | - | - | 3 000 | 3 000 | 3 100 | 1 329 | - | - | 4 329 | 3 000 | 3 100 |
| B | NC094 Phokwane | - | - | - | 3 000 | 3 000 | 3 100 | - | - | - | 3 000 | 3 000 | 3 100 |
| C | DC9 Frances Baard District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 1 395 | - | - | 2 395 | 1 200 | 1 300 |
| **Total: Frances Baard Municipalities** | | **4 400** | **4 500** | **7 000** | **11 800** | **12 200** | **12 700** | **8 552** | **-** | **-** | **24 752** | **16 700** | **19 700** |
| B | NC451 Joe Morolong | - | - | - | 3 000 | 3 000 | 3 100 | 1 554 | - | - | 4 554 | 3 000 | 3 100 |
| B | NC452 Ga-Segonyana | - | - | - | 2 000 | 3 000 | 3 100 | 1 426 | - | - | 3 426 | 3 000 | 3 100 |
| B | NC453 Gamagara | - | - | - | 2 000 | 2 100 | 2 200 | 1 378 | - | - | 3 378 | 2 100 | 2 200 |
| C | DC45 John Taolo Gaetsewe District Municipality | 4 300 | 4 500 | 4 500 | 1 000 | 1 200 | 1 300 | - | - | - | 5 300 | 5 700 | 5 800 |
| **Total: John Taolo Gaetsewe Municipalities** | | **4 300** | **4 500** | **4 500** | **8 000** | **9 300** | **9 700** | **4 358** | **-** | **-** | **16 658** | **13 800** | **14 200** |
| **Total: Northern Cape Municipalities** | | **8 700** | **9 000** | **11 500** | **78 200** | **80 700** | **83 800** | **26 129** | **-** | **-** | **113 029** | **89 700** | **95 300** |
| **NORTH WEST** | | | | | | | | | | | | | |
| B | NW371 Moretele | - | - | - | 2 900 | 2 900 | 3 000 | 3 036 | - | - | 5 936 | 2 900 | 3 000 |
| B | NW372 Madibeng | - | - | - | 2 900 | 2 900 | 3 000 | 1 836 | - | - | 4 736 | 2 900 | 3 000 |
| B | NW373 Rustenburg | - | - | - | 1 900 | 2 000 | 2 100 | 2 359 | - | - | 4 259 | 2 000 | 2 100 |
| B | NW374 Kgetlengrivier | - | - | - | 3 000 | 3 000 | 3 100 | 1 408 | - | - | 4 408 | 3 000 | 3 100 |
| B | NW375 Moses Kotane | - | - | - | 2 000 | 2 100 | 2 200 | 1 895 | - | - | 3 895 | 2 100 | 2 200 |
| C | DC37 Bojanala Platinum District Municipality | - | - | - | 1 800 | 2 000 | 2 100 | 1 689 | - | - | 3 489 | 2 000 | 2 100 |
| **Total: Bojanala Platinum Municipalities** | | **-** | **-** | **-** | **14 500** | **14 900** | **15 500** | **12 223** | **-** | **-** | **26 723** | **14 900** | **15 500** |
| B | NW381 Ratlou | - | - | - | 3 000 | 3 000 | 3 100 | 1 509 | - | - | 4 509 | 3 000 | 3 100 |
| B | NW382 Tswaing | - | - | - | 3 000 | 3 000 | 3 100 | 1 432 | - | - | 4 432 | 3 000 | 3 100 |
| B | NW383 Mafikeng | 3 000 | 3 000 | 3 000 | 3 000 | 3 000 | 3 100 | 1 923 | - | - | 7 923 | 6 000 | 6 100 |
| B | NW384 Ditsobotla | - | - | - | 3 000 | 3 000 | 3 100 | 1 467 | - | - | 4 467 | 3 000 | 3 100 |
| B | NW385 Ramotshere Moiloa | - | - | - | 2 300 | 2 400 | 2 500 | 1 754 | - | - | 4 054 | 2 400 | 2 500 |
| C | DC38 Ngaka Modiri Molema District Municipality | - | - | - | 3 000 | 3 000 | 3 100 | 4 791 | - | - | 7 791 | 3 000 | 3 100 |
| **Total: Ngaka Modiri Molema Municipalities** | | **3 000** | **3 000** | **3 000** | **17 300** | **17 400** | **18 000** | **12 876** | **-** | **-** | **33 176** | **20 400** | **21 000** |
| B | NW392 Naledi | - | - | - | 2 800 | 2 800 | 2 900 | 2 433 | - | - | 5 233 | 2 800 | 2 900 |
| B | NW393 Mamusa | - | - | - | 3 000 | 3 000 | 3 100 | 1 472 | - | - | 4 472 | 3 000 | 3 100 |
| B | NW394 Greater Taung | - | - | - | 3 000 | 3 000 | 3 100 | 1 842 | - | - | 4 842 | 3 000 | 3 100 |
| B | NW396 Lekwa-Teemane | - | - | - | 3 000 | 3 000 | 3 100 | 1 355 | - | - | 4 355 | 3 000 | 3 100 |
| B | NW397 Kagisano-Molopo | - | - | - | 3 000 | 3 000 | 3 100 | 2 241 | - | - | 5 241 | 3 000 | 3 100 |
| C | DC39 Dr Ruth Segomotsi Mompati District Municipality | - | - | - | 3 600 | 3 600 | 3 700 | 1 674 | - | - | 5 274 | 3 600 | 3 700 |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | **-** | **-** | **-** | **18 400** | **18 400** | **19 000** | **11 017** | **-** | **-** | **29 417** | **18 400** | **19 000** |
| B | NW403 City of Matlosana | - | - | - | 3 000 | 3 000 | 3 100 | 2 606 | - | - | 5 606 | 3 000 | 3 100 |
| B | NW404 Maquassi Hills | - | - | - | 3 800 | 3 800 | 3 900 | 1 419 | - | - | 5 219 | 3 800 | 3 900 |
| B | NW405 JB Marks | - | - | - | 3 000 | 3 000 | 3 100 | 2 619 | - | - | 5 619 | 3 000 | 3 100 |
| C | DC40 Dr Kenneth Kaunda District Municipality | - | - | - | 1 100 | 1 200 | 1 300 | 2 211 | - | - | 3 311 | 1 200 | 1 300 |
| **Total: Dr Kenneth Kaunda Municipalities** | | **-** | **-** | **-** | **10 900** | **11 000** | **11 400** | **8 855** | **-** | **-** | **19 755** | **11 000** | **11 400** |
| **Total: North West Municipalities** | | **3 000** | **3 000** | **3 000** | **61 100** | **61 700** | **63 900** | **44 971** | **-** | **-** | **109 071** | **64 700** | **66 900** |

**ANNEXURE W4**

**SPECIFIC PURPOSE ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 5, PART B AND SCHEDULE 7, PART B): CURRENT GRANTS**

| | | | Infrastructure Skills Development Grant | | | Local Government Financial Management Grant | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | SUB-TOTAL: CURRENT[1] | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **WESTERN CAPE** | | | | | | | | | | | | | | |
| A | CPT | City of Cape Town | 25 000 | 22 000 | 22 500 | 1 000 | 1 200 | 1 300 | 14 926 | - | - | 40 926 | 23 200 | 23 800 |
| B | WC011 | Matzikama | - | - | - | 1 900 | 2 100 | 2 200 | 1 708 | - | - | 3 608 | 2 100 | 2 200 |
| B | WC012 | Cederberg | - | - | - | 2 000 | 2 100 | 2 200 | 1 533 | - | - | 3 533 | 2 100 | 2 200 |
| B | WC013 | Bergrivier | - | - | - | 1 800 | 2 000 | 2 100 | 1 700 | - | - | 3 500 | 2 000 | 2 100 |
| B | WC014 | Saldanha Bay | - | - | - | 1 700 | 1 900 | 2 000 | 2 096 | - | - | 3 796 | 1 900 | 2 000 |
| B | WC015 | Swartland | - | - | - | 1 700 | 1 800 | 1 900 | 1 969 | - | - | 3 669 | 1 800 | 1 900 |
| C | DC1 | West Coast District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 1 669 | - | - | 2 669 | 1 200 | 1 300 |
| **Total: West Coast Municipalities** | | | **-** | **-** | **-** | **10 100** | **11 100** | **11 700** | **10 675** | **-** | **-** | **20 775** | **11 100** | **11 700** |
| B | WC022 | Witzenberg | - | - | - | 1 700 | 1 800 | 1 900 | 2 272 | - | - | 3 972 | 1 800 | 1 900 |
| B | WC023 | Drakenstein | - | - | - | 1 700 | 1 800 | 2 000 | 3 349 | - | - | 5 049 | 1 800 | 2 000 |
| B | WC024 | Stellenbosch | - | - | - | 1 700 | 1 800 | 1 900 | 3 202 | - | - | 4 902 | 1 800 | 1 900 |
| B | WC025 | Breede Valley | - | - | - | 1 700 | 1 800 | 1 900 | 3 019 | - | - | 4 719 | 1 800 | 1 900 |
| B | WC026 | Langeberg | - | - | - | 1 700 | 1 800 | 1 900 | 2 709 | - | - | 4 409 | 1 800 | 1 900 |
| C | DC2 | Cape Winelands District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 1 479 | - | - | 2 479 | 1 200 | 1 300 |
| **Total: Cape Winelands Municipalities** | | | **-** | **-** | **-** | **9 500** | **10 200** | **10 900** | **16 030** | **-** | **-** | **25 530** | **10 200** | **10 900** |
| B | WC031 | Theewaterskloof | - | - | - | 1 900 | 2 000 | 2 100 | 1 930 | - | - | 3 830 | 2 000 | 2 100 |
| B | WC032 | Overstrand | - | - | - | 1 800 | 1 900 | 2 100 | 2 588 | - | - | 4 388 | 1 900 | 2 100 |
| B | WC033 | Cape Agulhas | - | - | - | 1 800 | 1 900 | 2 000 | 1 727 | - | - | 3 527 | 1 900 | 2 000 |
| B | WC034 | Swellendam | - | - | - | 1 900 | 2 000 | 2 100 | 1 565 | - | - | 3 465 | 2 000 | 2 100 |
| C | DC3 | Overberg District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 1 500 | - | - | 2 500 | 1 200 | 1 300 |
| **Total: Overberg Municipalities** | | | **-** | **-** | **-** | **8 400** | **9 000** | **9 600** | **9 310** | **-** | **-** | **17 710** | **9 000** | **9 600** |
| B | WC041 | Kannaland | - | - | - | 2 900 | 2 900 | 3 000 | 1 378 | - | - | 4 278 | 2 900 | 3 000 |
| B | WC042 | Hessequa | - | - | - | 1 800 | 1 900 | 2 000 | 1 351 | - | - | 3 151 | 1 900 | 2 000 |
| B | WC043 | Mossel Bay | - | - | - | 1 800 | 1 900 | 2 000 | 3 259 | - | - | 5 059 | 1 900 | 2 000 |
| B | WC044 | George | 6 000 | 6 000 | 7 600 | 1 900 | 2 000 | 2 100 | 2 677 | - | - | 10 577 | 8 000 | 9 700 |
| B | WC045 | Oudtshoorn | - | - | - | 2 800 | 2 800 | 2 900 | 1 734 | - | - | 4 534 | 2 800 | 2 900 |
| B | WC047 | Bitou | - | - | - | 1 900 | 2 000 | 2 100 | 1 599 | - | - | 3 499 | 2 000 | 2 100 |
| B | WC048 | Knysna | - | - | - | 1 900 | 2 000 | 2 100 | 1 461 | - | - | 3 361 | 2 000 | 2 100 |
| C | DC4 | Garden Route District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 2 293 | - | - | 3 293 | 1 200 | 1 300 |
| **Total: Garden Route Municipalities** | | | **6 000** | **6 000** | **7 600** | **16 000** | **16 700** | **17 500** | **15 752** | **-** | **-** | **37 752** | **22 700** | **25 100** |
| B | WC051 | Laingsburg | - | - | - | 1 900 | 2 000 | 2 100 | 1 385 | - | - | 3 285 | 2 000 | 2 100 |
| B | WC052 | Prince Albert | - | - | - | 1 900 | 2 000 | 2 100 | - | - | - | 1 900 | 2 000 | 2 100 |
| B | WC053 | Beaufort West | - | - | - | 2 000 | 2 100 | 2 200 | 1 569 | - | - | 3 569 | 2 100 | 2 200 |
| C | DC5 | Central Karoo District Municipality | - | - | - | 1 000 | 1 200 | 1 300 | 1 376 | - | - | 2 376 | 1 200 | 1 300 |
| **Total: Central Karoo Municipalities** | | | **-** | **-** | **-** | **6 800** | **7 300** | **7 700** | **4 330** | **-** | **-** | **11 130** | **7 300** | **7 700** |
| **Total: Western Cape Municipalities** | | | **31 000** | **28 000** | **30 100** | **51 800** | **55 500** | **58 700** | **71 023** | **-** | **-** | **153 823** | **83 500** | **88 800** |
| Unallocated | | | - | - | - | - | - | - | - | 593 271 | 620 099 | 395 054 | 1 006 424 | 1 051 935 |
| **National Total** | | | **172 774** | **180 688** | **188 859** | **589 685** | **616 701** | **644 589** | **567 281** | **593 271** | **620 099** | **1 724 794** | **1 803 813** | **1 885 383** |

*1. Includes unallocated amounts for the Municipal Disaster Response Grant (MDRG). The MDRG is allocated R395 million in 2025/26, R413 million in 2026/27 and R432 million in 2027/28*

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B)**

**(National and Municipal Financial Years)**

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

| | | | Municipal Infrastructure Grant | | | Municipal Disaster Recovery Grant | | | Energy Efficiency and Demand-Side Management Grant | | | Integrated National Electrification Programme (Municipal) Grant | | | Rural Roads Asset Management Systems Grant | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| **EASTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | | |
| A | BUF | Buffalo City | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| A | NMA | Nelson Mandela Bay | - | - | - | - | - | - | 7 000 | 8 500 | 9 000 | - | - | - | - | - | - | 390 000 | - | - | - | - | - |
| B | EC101 | Dr Beyers Naude | 34 481 | 26 283 | 27 328 | 5 005 | - | - | - | - | - | - | 11 923 | 12 462 | - | - | - | - | - | - | 23 328 | 35 000 | 36 750 |
| B | EC102 | Blue Crane Route | 16 580 | 17 651 | 18 273 | 22 880 | - | - | - | 5 000 | 5 000 | - | 7 000 | 7 316 | - | - | - | - | - | - | 26 100 | 16 000 | 16 800 |
| B | EC104 | Makana | 29 031 | 31 255 | 32 544 | - | - | - | - | - | - | - | 7 751 | 8 101 | - | - | - | - | - | - | 20 681 | 25 000 | 26 250 |
| B | EC105 | Ndlambe | 32 546 | 35 094 | 36 571 | - | - | - | - | - | - | 12 057 | 7 000 | 7 316 | - | - | - | - | - | - | 20 262 | 25 000 | 26 250 |
| B | EC106 | Sundays River Valley | 30 314 | 32 656 | 34 014 | - | - | - | 4 000 | - | 4 000 | 6 413 | 7 000 | 7 316 | - | - | - | - | - | - | 12 000 | 24 000 | 25 200 |
| B | EC108 | Kouga | 38 174 | 41 242 | 43 022 | - | - | - | - | - | - | 5 440 | 7 558 | 7 900 | - | - | - | - | - | - | 9 629 | 13 196 | 9 344 |
| B | EC109 | Kou-Kamma | 17 890 | 19 082 | 19 774 | - | - | - | 3 000 | - | 4 000 | 8 978 | 3 981 | 4 161 | - | - | - | - | - | - | 10 000 | 18 000 | 15 750 |
| C | DC10 | Sarah Baartman District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 626 | 2 746 | 2 869 | - | - | - | - | - | - |
| **Total: Sarah Baartman Municipalities** | | | **199 016** | **203 263** | **211 526** | **27 885** | **-** | **-** | **7 000** | **5 000** | **13 000** | **32 888** | **52 213** | **54 572** | **2 626** | **2 746** | **2 869** | **-** | **-** | **-** | **122 000** | **156 196** | **156 344** |
| B | EC121 | Mbhashe | 74 175 | 80 574 | 84 285 | 24 167 | - | - | - | - | - | 16 369 | 13 000 | 13 588 | - | - | - | - | - | - | - | - | - |
| B | EC122 | Mnquma | 77 488 | 84 194 | 88 082 | 6 472 | - | - | 3 000 | 4 000 | 4 000 | 13 232 | 9 000 | 9 407 | - | - | - | - | - | - | - | - | - |
| B | EC123 | Great Kei | 12 875 | 13 603 | 14 026 | - | - | - | - | - | - | 7 312 | 6 558 | 6 854 | - | - | - | - | - | - | - | - | - |
| B | EC124 | Amahlathi | 39 723 | 36 817 | 38 379 | 19 145 | - | - | - | 4 000 | 4 000 | 17 440 | 7 453 | 7 790 | - | - | - | - | - | - | - | - | - |
| B | EC126 | Ngqushwa | 37 021 | 29 058 | 30 240 | 15 256 | - | - | 3 000 | 3 350 | 4 000 | 12 297 | 7 751 | 8 101 | - | - | - | - | - | - | - | - | - |
| B | EC129 | Raymond Mhlaba | 48 097 | 52 084 | 54 395 | 27 416 | - | - | - | - | - | 3 129 | 7 751 | 8 101 | - | - | - | - | - | - | - | - | - |
| C | DC12 | Amathole District Municipality | 383 204 | 558 542 | 585 723 | - | - | - | - | - | - | - | - | - | 3 445 | 3 603 | 3 765 | - | - | - | 99 616 | 110 000 | 115 500 |
| **Total: Amathole Municipalities** | | | **672 583** | **854 872** | **895 130** | **92 456** | **-** | **-** | **6 000** | **11 350** | **12 000** | **69 779** | **51 513** | **53 841** | **3 445** | **3 603** | **3 765** | **-** | **-** | **-** | **99 616** | **110 000** | **115 500** |
| B | EC131 | Inxuba Yethemba | 24 005 | 20 301 | 21 052 | 8 429 | - | - | - | - | - | - | 10 125 | 10 583 | - | - | - | - | - | - | - | - | - |
| B | EC135 | Intsika Yethu | 52 826 | 57 250 | 59 815 | 30 032 | - | - | - | - | - | 20 946 | 11 000 | 11 497 | - | - | - | - | - | - | - | - | - |
| B | EC136 | Emalahleni | 50 886 | 44 206 | 46 131 | 32 072 | - | - | - | - | - | 20 287 | 15 000 | 15 678 | - | - | - | - | - | - | - | - | - |
| B | EC137 | Dr. A.B. Xuma | 47 172 | 51 073 | 53 335 | 18 917 | - | - | - | - | - | 20 158 | 13 000 | 13 588 | - | - | - | - | - | - | - | - | - |
| B | EC138 | Sakhisizwe | 27 608 | 23 144 | 24 035 | 35 516 | - | - | - | - | - | 8 000 | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| B | EC139 | Enoch Mgijima | 66 868 | 72 591 | 75 910 | 32 029 | - | - | - | - | - | - | 8 000 | 8 362 | - | - | - | - | - | - | - | - | - |
| C | DC13 | Chris Hani District Municipality | 343 034 | 374 303 | 392 437 | 20 743 | - | - | - | - | - | - | - | - | 3 786 | 3 959 | 4 137 | - | 126 000 | 263 079 | 80 455 | 75 000 | 78 780 |
| **Total: Chris Hani Municipalities** | | | **612 399** | **642 868** | **672 715** | **177 738** | **-** | **-** | **-** | **-** | **-** | **69 391** | **64 125** | **67 024** | **3 786** | **3 959** | **4 137** | **-** | **126 000** | **263 079** | **80 455** | **75 000** | **78 780** |
| B | EC141 | Elundini | 47 716 | 51 668 | 53 959 | - | - | - | - | - | - | 5 817 | 20 000 | 20 904 | - | - | - | - | - | - | - | - | - |
| B | EC142 | Senqu | 47 132 | 51 030 | 53 290 | - | - | - | - | - | - | - | 4 981 | 5 206 | - | - | - | - | - | - | - | - | - |
| B | EC145 | Walter Sisulu | 22 495 | 24 113 | 25 051 | - | - | - | 4 000 | - | 4 000 | 13 500 | 8 366 | 8 744 | - | - | - | - | - | - | - | - | - |
| C | DC14 | Joe Gqabi District Municipality | 186 655 | 203 459 | 213 203 | - | - | - | - | - | - | - | - | - | 2 562 | 2 679 | 2 799 | 85 000 | 175 290 | 203 000 | 66 000 | 57 000 | 59 850 |
| **Total: Joe Gqabi Municipalities** | | | **303 998** | **330 270** | **345 503** | **-** | **-** | **-** | **4 000** | **-** | **4 000** | **19 317** | **33 347** | **34 854** | **2 562** | **2 679** | **2 799** | **85 000** | **175 290** | **203 000** | **66 000** | **57 000** | **59 850** |
| B | EC153 | Ngquza Hill | 67 274 | 73 035 | 76 376 | 8 114 | - | - | - | - | - | 3 660 | 8 501 | 8 885 | - | - | - | - | - | - | - | - | - |
| B | EC154 | Port St Johns | 41 914 | 45 329 | 47 309 | 25 635 | - | - | - | - | - | 15 000 | 18 000 | 18 814 | - | - | - | - | - | - | - | - | - |
| B | EC155 | Nyandeni | 85 145 | 81 743 | 85 512 | 35 260 | - | - | - | - | - | 40 810 | 8 943 | 9 347 | - | - | - | - | - | - | - | - | - |
| B | EC156 | Mhlontlo | 54 377 | 58 944 | 61 593 | 25 037 | - | - | - | - | - | 19 400 | 10 434 | 10 906 | - | - | - | - | - | - | - | - | - |
| B | EC157 | King Sabata Dalindyebo | 107 297 | 116 760 | 122 247 | 39 188 | - | - | 4 000 | 4 000 | 4 000 | 4 480 | 14 906 | 15 580 | - | - | - | - | - | - | - | - | - |
| C | DC15 | O.R. Tambo District Municipality | 754 481 | 823 811 | 864 017 | - | - | - | - | - | - | - | - | - | 3 444 | 3 602 | 3 763 | 250 000 | 192 000 | - | 95 000 | 85 000 | 89 250 |
| **Total: O.R. Tambo Municipalities** | | | **1 110 488** | **1 199 622** | **1 257 054** | **133 234** | **-** | **-** | **4 000** | **4 000** | **4 000** | **83 350** | **60 784** | **63 532** | **3 444** | **3 602** | **3 763** | **250 000** | **192 000** | **-** | **95 000** | **85 000** | **89 250** |
| B | EC441 | Matatiele | 60 681 | 65 831 | 68 818 | 24 543 | - | - | - | - | - | 20 549 | 20 000 | 20 904 | - | - | - | - | - | - | - | - | - |
| B | EC442 | Umzimvubu | 57 096 | 61 915 | 64 710 | 26 848 | - | - | - | - | - | 14 970 | 18 000 | 18 814 | - | - | - | - | - | - | - | - | - |
| B | EC443 | Winnie Madikizela-Mandela | 67 045 | 64 591 | 67 517 | - | - | - | - | - | - | 22 008 | 15 000 | 15 678 | - | - | - | - | - | - | - | - | - |
| B | EC444 | Ntabankulu | 44 381 | 35 460 | 36 956 | 21 315 | - | - | - | - | - | 9 970 | 12 521 | 13 087 | - | - | - | - | - | - | - | - | - |
| C | DC44 | Alfred Nzo District Municipality | 447 663 | 488 612 | 512 358 | - | - | - | - | - | - | - | - | - | 2 685 | 2 808 | 2 933 | - | - | - | 90 000 | 95 000 | 99 750 |
| **Total: Alfred Nzo Municipalities** | | | **676 866** | **716 409** | **750 359** | **72 706** | **-** | **-** | **-** | **-** | **-** | **67 497** | **65 521** | **68 483** | **2 685** | **2 808** | **2 933** | **-** | **-** | **-** | **90 000** | **95 000** | **99 750** |
| **Total: Eastern Cape Municipalities** | | | **3 575 350** | **3 947 304** | **4 132 287** | **504 019** | **-** | **-** | **28 000** | **28 850** | **42 000** | **342 222** | **327 503** | **342 306** | **18 548** | **19 397** | **20 266** | **725 000** | **493 290** | **466 079** | **553 071** | **578 196** | **599 474** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

| Category | Municipality | Municipal Infrastructure Grant | | | Municipal Disaster Recovery Grant | | | Energy Efficiency and Demand-Side Management Grant | | | Integrated National Electrification Programme (Municipal) Grant | | | Rural Roads Asset Management Systems Grant | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **FREE STATE** | | | | | | | | | | | | | | | | | | | | | | |
| A MAN | Mangaung | - | - | - | - | - | - | - | - | 6 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| B FS161 | Letsemeng | 18 062 | 21 465 | 22 273 | - | - | - | - | 4 000 | - | 4 845 | 5 000 | 5 226 | - | - | - | - | - | - | 23 285 | 23 000 | 23 250 |
| B FS162 | Kopanong | 33 375 | 26 167 | 27 206 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | 18 672 | 22 393 | 21 513 |
| B FS163 | Mohokare | 25 865 | 22 635 | 23 501 | - | - | - | - | - | - | 6 000 | 3 000 | 3 136 | - | - | - | - | - | - | 20 000 | 21 000 | 22 050 |
| C DC16 | Xhariep District Municipality | - | - | - | - | - | - | - | - | - | 3 705 | - | - | 2 519 | 2 635 | 2 753 | - | - | - | - | - | - |
| **Total: Xhariep Municipalities** | | **77 302** | **70 267** | **72 980** | **-** | **-** | **-** | **-** | **4 000** | **-** | **14 550** | **13 000** | **13 588** | **2 519** | **2 635** | **2 753** | **-** | **-** | **-** | **61 957** | **66 393** | **66 813** |
| B FS181 | Masilonyana | 20 894 | 29 950 | 31 175 | - | - | - | 4 000 | 5 000 | - | - | 5 000 | 5 226 | - | - | - | - | - | - | 18 220 | 24 288 | 25 502 |
| B FS182 | Tokologo | 19 263 | 20 582 | 21 347 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | 23 780 | 26 740 | 22 077 |
| B FS183 | Tswelopele | 19 281 | 20 602 | 21 368 | - | - | - | - | - | 5 000 | - | 1 500 | 1 568 | - | - | - | - | - | - | 18 440 | 22 110 | 23 216 |
| B FS184 | Matjhabeng | 109 958 | 159 567 | 167 156 | - | - | - | - | - | - | 14 246 | 20 000 | 20 904 | - | - | - | - | - | - | 23 997 | 23 000 | 28 350 |
| B FS185 | Nala | 35 530 | 38 355 | 39 992 | - | - | - | 5 000 | 5 000 | - | 4 625 | 3 500 | 3 658 | - | - | - | - | - | - | 22 370 | 22 660 | 25 893 |
| C DC18 | Lejweleputswa District Municipality | - | - | - | - | - | - | - | - | 5 000 | - | - | - | 2 675 | 2 798 | 2 923 | - | - | - | - | - | - |
| **Total: Lejweleputswa Municipalities** | | **204 926** | **269 056** | **281 038** | **-** | **-** | **-** | **9 000** | **10 000** | **10 000** | **18 871** | **35 000** | **36 582** | **2 675** | **2 798** | **2 923** | **-** | **-** | **-** | **106 807** | **118 798** | **125 038** |
| B FS191 | Setsoto | 67 233 | 62 064 | 64 866 | - | - | - | - | - | - | - | 4 770 | 4 986 | - | - | - | 171 112 | 200 000 | 242 596 | 21 540 | 25 890 | 24 285 |
| B FS192 | Dihlabeng | 35 094 | 50 612 | 52 852 | - | - | - | - | - | - | - | 3 500 | 3 658 | - | - | - | - | - | - | 24 676 | 25 000 | 23 350 |
| B FS193 | Nketoana | 22 638 | 32 495 | 33 845 | - | - | - | - | - | - | - | 4 000 | 4 181 | - | - | - | - | - | - | 20 648 | 21 389 | 22 458 |
| B FS194 | Maluti-a-Phofung | 199 464 | 217 453 | 227 885 | - | - | - | - | - | - | 39 958 | 3 000 | 3 136 | - | - | - | - | - | - | 51 728 | 45 000 | 47 750 |
| B FS195 | Phumelela | 18 612 | 26 636 | 27 698 | - | - | - | 4 000 | 5 000 | 4 000 | - | 1 789 | 1 870 | - | - | - | - | - | - | 20 501 | 19 552 | 22 516 |
| B FS196 | Mantsopa | 23 607 | 25 328 | 26 327 | - | - | - | - | - | - | - | 2 981 | 3 116 | - | - | - | - | - | - | 12 384 | 13 000 | 12 650 |
| C DC19 | Thabo Mofutsanyana District Municipality | - | - | - | - | - | - | 5 000 | 5 000 | 6 572 | - | - | - | 2 820 | 2 949 | 3 081 | - | - | - | - | - | - |
| **Total: Thabo Mofutsanyana Municipalities** | | **366 647** | **414 588** | **433 473** | **-** | **-** | **-** | **9 000** | **10 000** | **10 572** | **39 958** | **20 040** | **20 947** | **2 820** | **2 949** | **3 081** | **171 112** | **200 000** | **242 596** | **151 477** | **149 831** | **153 009** |
| B FS201 | Moqhaka | 36 749 | 53 001 | 55 358 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | 17 595 | 15 268 | 16 160 |
| B FS203 | Ngwathe | 38 252 | 55 204 | 57 669 | - | - | - | - | - | - | 11 135 | 20 000 | 20 904 | - | - | - | 60 000 | 81 112 | 50 000 | 15 433 | 12 000 | 12 600 |
| B FS204 | Metsimaholo | 40 679 | 58 747 | 61 386 | - | - | - | - | - | - | 10 000 | 10 000 | 10 452 | - | - | - | - | - | - | 20 961 | 19 000 | 22 350 |
| B FS205 | Mafube | 19 970 | 28 606 | 29 765 | - | - | - | - | - | - | - | 7 000 | 7 316 | - | - | - | - | - | - | 17 450 | 19 000 | 19 050 |
| C DC20 | Fezile Dabi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 565 | 2 683 | 2 803 | - | - | - | - | - | - |
| **Total: Fezile Dabi Municipalities** | | **135 649** | **195 558** | **204 178** | **-** | **-** | **-** | **-** | **-** | **-** | **21 135** | **42 000** | **43 898** | **2 565** | **2 683** | **2 803** | **60 000** | **81 112** | **50 000** | **71 439** | **65 268** | **70 160** |
| **Total: Free State Municipalities** | | **784 524** | **949 469** | **991 669** | **-** | **-** | **-** | **18 000** | **24 000** | **26 572** | **94 514** | **110 040** | **115 015** | **10 579** | **11 065** | **11 560** | **231 112** | **281 112** | **292 596** | **391 680** | **400 290** | **415 020** |
| **GAUTENG** | | | | | | | | | | | | | | | | | | | | | | |
| A EKU | City of Ekurhuleni | - | - | - | - | - | - | 7 000 | 8 500 | 9 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| A JHB | City of Johannesburg | - | - | - | - | - | - | 7 000 | 8 500 | 9 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| A TSH | City of Tshwane | - | - | - | - | - | - | - | - | 9 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| B GT421 | Emfuleni | 157 476 | 228 621 | 239 601 | - | - | - | 5 260 | - | 5 000 | - | 14 000 | 14 633 | - | - | - | - | - | - | - | - | - |
| B GT422 | Midvaal | 38 050 | 41 108 | 42 881 | - | - | - | 4 000 | 4 000 | 4 000 | 35 209 | 17 000 | 17 768 | - | - | - | - | - | - | 21 886 | 48 083 | 68 000 |
| B GT423 | Lesedi | 31 704 | 34 175 | 35 607 | - | - | - | - | 4 000 | - | 21 000 | 20 000 | 20 904 | - | - | - | - | - | - | 32 675 | 39 148 | 37 000 |
| C DC42 | Sedibeng District Municipality | - | - | - | - | - | - | 5 000 | 5 000 | - | - | - | - | 2 856 | 2 986 | 3 120 | - | - | - | - | - | - |
| **Total: Sedibeng Municipalities** | | **227 230** | **303 904** | **318 089** | **-** | **-** | **-** | **14 260** | **13 000** | **9 000** | **56 209** | **51 000** | **53 305** | **2 856** | **2 986** | **3 120** | **-** | **-** | **-** | **54 561** | **87 231** | **105 000** |
| B GT481 | Mogale City | - | - | - | - | - | - | - | - | - | - | 14 000 | 14 633 | - | - | - | - | - | - | 72 500 | 60 000 | 58 000 |
| B GT484 | Merafong City | 90 822 | 87 835 | 91 903 | - | - | - | - | - | - | 17 533 | 16 000 | 16 723 | - | - | - | - | - | - | 20 277 | 42 360 | 39 728 |
| B GT485 | Rand West City | 111 484 | 121 335 | 127 047 | - | - | - | 4 000 | 5 000 | - | 36 490 | 29 000 | 30 311 | - | - | - | - | - | - | 54 637 | 52 154 | 74 074 |
| C DC48 | West Rand District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 3 041 | 3 181 | 3 323 | - | - | - | - | - | - |
| **Total: West Rand Municipalities** | | **202 306** | **209 170** | **218 950** | **-** | **-** | **-** | **4 000** | **5 000** | **-** | **54 023** | **59 000** | **61 667** | **3 041** | **3 181** | **3 323** | **-** | **-** | **-** | **147 414** | **154 514** | **171 802** |
| **Total: Gauteng Municipalities** | | **429 536** | **513 074** | **537 039** | **-** | **-** | **-** | **32 260** | **35 000** | **36 000** | **110 232** | **110 000** | **114 972** | **5 897** | **6 167** | **6 443** | **-** | **-** | **-** | **201 975** | **241 745** | **276 802** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

| | | Municipal Infrastructure Grant | | | Municipal Disaster Recovery Grant | | | Energy Efficiency and Demand-Side Management Grant | | | Integrated National Electrification Programme (Municipal) Grant | | | Rural Roads Asset Management Systems Grant | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **KWAZULU-NATAL** | | | | | | | | | | | | | | | | | | | | | | |
| A | ETH eThekwini | - | - | - | - | - | - | 7 000 | 8 000 | 9 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| B | KZN212 uMdoni | 37 328 | 40 319 | 42 053 | - | - | - | - | 4 000 | - | 4 451 | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| B | KZN213 uMzumbe | 41 576 | 44 959 | 46 921 | - | - | - | - | - | - | 14 475 | 9 000 | 9 407 | - | - | - | - | - | - | - | - | - |
| B | KZN214 uMuziwabantu | 41 078 | 30 213 | 31 451 | - | - | - | - | - | - | - | 5 918 | 6 185 | - | - | - | - | - | - | - | - | - |
| B | KZN216 Ray Nkonyeni | - | - | - | - | - | - | 5 000 | - | 5 000 | - | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| C | DC21 Ugu District Municipality | 287 626 | 313 770 | 328 931 | - | - | - | - | - | - | - | - | - | 3 122 | 3 265 | 3 411 | - | - | - | 100 000 | 110 000 | 115 500 |
| **Total: Ugu Municipalities** | | **407 608** | **429 261** | **449 356** | **-** | **-** | **-** | **5 000** | **4 000** | **5 000** | **18 926** | **28 918** | **30 224** | **3 122** | **3 265** | **3 411** | **-** | **-** | **-** | **100 000** | **110 000** | **115 500** |
| B | KZN221 uMshwathi | 46 431 | 36 061 | 37 586 | - | - | - | - | - | - | 7 052 | 6 000 | 6 271 | - | - | - | - | - | - | - | - | - |
| B | KZN222 uMngeni | 47 735 | 29 838 | 31 058 | - | - | - | - | - | - | 44 412 | 15 000 | 15 678 | - | - | - | - | - | - | - | - | - |
| B | KZN223 Mpofana | 13 858 | 14 678 | 15 153 | - | - | - | 3 000 | - | 4 000 | - | 10 000 | 10 452 | - | - | - | - | - | - | - | - | - |
| B | KZN224 iMpendle | 13 452 | 14 233 | 14 687 | 15 558 | - | - | - | - | - | 3 092 | 2 000 | 2 090 | - | - | - | - | - | - | - | - | - |
| B | KZN225 Msunduzi | 242 657 | 264 641 | 277 390 | 13 214 | - | - | - | 4 000 | 4 000 | - | 6 000 | 6 271 | - | - | - | - | - | - | 75 000 | 80 000 | 84 000 |
| B | KZN226 Mkhambathini | 18 934 | 20 223 | 20 970 | - | - | - | 3 000 | 4 000 | - | 12 624 | 7 509 | 7 848 | - | - | - | - | - | - | - | - | - |
| B | KZN227 Richmond | 21 915 | 23 480 | 24 387 | - | - | - | - | - | - | - | 6 206 | 6 487 | - | - | - | - | - | - | - | - | - |
| C | DC22 uMgungundlovu District Municipality | 121 318 | 132 078 | 138 318 | - | - | - | - | - | - | - | - | - | 2 967 | 3 103 | 3 242 | - | - | - | 110 000 | 110 000 | 110 500 |
| **Total: uMgungundlovu Municipalities** | | **526 300** | **535 232** | **559 549** | **28 772** | **-** | **-** | **6 000** | **8 000** | **8 000** | **67 180** | **52 715** | **55 097** | **2 967** | **3 103** | **3 242** | **-** | **-** | **-** | **185 000** | **190 000** | **194 500** |
| B | KZN235 Okhahlamba | 34 320 | 37 032 | 38 605 | 8 858 | - | - | - | - | - | 9 315 | 11 000 | 11 497 | - | - | - | - | - | - | - | - | - |
| B | KZN237 iNkosi Langalibalele | 46 105 | 49 908 | 52 113 | - | - | - | - | - | 4 000 | - | 10 000 | 10 452 | - | - | - | - | - | - | - | - | - |
| B | KZN238 Alfred Duma | - | - | - | - | - | - | - | - | - | - | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| C | DC23 uThukela District Municipality | 219 159 | 238 970 | 250 459 | - | - | - | - | - | - | - | - | - | 2 918 | 3 052 | 3 188 | - | - | - | 100 000 | 100 000 | 115 500 |
| **Total: uThukela Municipalities** | | **299 584** | **325 910** | **341 177** | **8 858** | **-** | **-** | **-** | **-** | **4 000** | **9 315** | **28 000** | **29 265** | **2 918** | **3 052** | **3 188** | **-** | **-** | **-** | **100 000** | **100 000** | **115 500** |
| B | KZN241 eNdumeni | 17 873 | 19 063 | 19 754 | - | - | - | 4 000 | 5 000 | - | 3 420 | 5 000 | 5 226 | - | - | - | - | - | - | - | - | - |
| B | KZN242 Nquthu | 37 961 | 41 010 | 42 778 | - | - | - | - | - | - | 20 000 | 15 000 | 15 678 | - | - | - | - | - | - | - | - | - |
| B | KZN244 uMsinga | 58 784 | 49 556 | 51 744 | 6 015 | - | - | - | - | - | 8 408 | 16 000 | 16 723 | - | - | - | - | - | - | - | - | - |
| B | KZN245 uMvoti | 36 217 | 39 104 | 40 779 | - | - | - | - | - | - | - | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| C | DC24 uMzinyathi District Municipality | 224 123 | 244 393 | 256 148 | - | - | - | - | - | - | - | - | - | 2 673 | 2 796 | 2 921 | - | - | - | 91 000 | 100 000 | 105 000 |
| **Total: uMzinyathi Municipalities** | | **374 958** | **393 126** | **411 203** | **6 015** | **-** | **-** | **4 000** | **5 000** | **-** | **31 828** | **43 000** | **44 943** | **2 673** | **2 796** | **2 921** | **-** | **-** | **-** | **91 000** | **100 000** | **105 000** |
| B | KZN252 Newcastle | 137 899 | 150 193 | 157 322 | 6 891 | - | - | - | - | 5 000 | 41 300 | 18 500 | 19 336 | - | - | - | - | - | - | 75 000 | 85 000 | 89 179 |
| B | KZN253 eMadlangeni | 10 464 | 10 970 | 11 263 | 6 181 | - | - | 4 000 | 5 000 | - | 8 284 | 5 000 | 5 260 | - | - | - | - | - | - | - | - | - |
| B | KZN254 Dannhauser | 26 095 | 28 046 | 29 177 | - | - | - | - | - | 5 000 | - | 2 800 | 2 927 | - | - | - | - | - | - | - | - | - |
| C | DC25 Amajuba District Municipality | 48 287 | 52 291 | 54 614 | 10 011 | - | - | - | - | - | - | - | - | 2 587 | 2 706 | 2 827 | - | - | - | 100 000 | 100 000 | 105 000 |
| **Total: Amajuba Municipalities** | | **222 745** | **241 500** | **252 376** | **23 083** | **-** | **-** | **4 000** | **5 000** | **10 000** | **49 584** | **26 300** | **27 523** | **2 587** | **2 706** | **2 827** | **-** | **-** | **-** | **175 000** | **185 000** | **194 179** |
| B | KZN261 eDumbe | 21 420 | 22 939 | 23 820 | - | - | - | - | - | - | - | 10 000 | 10 452 | - | - | - | - | - | - | - | - | - |
| B | KZN262 uPhongolo | 34 328 | 37 041 | 38 614 | - | - | - | - | - | - | 11 400 | 6 000 | 6 271 | - | - | - | - | - | - | - | - | - |
| B | KZN263 AbaQulusi | 45 464 | 49 207 | 51 378 | - | - | - | - | - | - | 62 273 | 8 000 | 8 362 | - | - | - | - | - | - | - | - | - |
| B | KZN265 Nongoma | 38 805 | 41 932 | 43 745 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | - | - | - |
| B | KZN266 Ulundi | 37 593 | 40 608 | 42 356 | - | - | - | - | - | - | - | 6 000 | 6 271 | - | - | - | - | - | - | - | - | - |
| C | DC26 Zululand District Municipality | 268 969 | 293 387 | 307 548 | - | - | - | - | - | 4 000 | - | - | - | 2 772 | 2 899 | 3 029 | 544 478 | 370 085 | 408 200 | 100 000 | 115 000 | 120 000 |
| **Total: Zululand Municipalities** | | **446 579** | **485 114** | **507 461** | **-** | **-** | **-** | **-** | **-** | **4 000** | **73 673** | **35 000** | **36 582** | **2 772** | **2 899** | **3 029** | **544 478** | **370 085** | **408 200** | **100 000** | **115 000** | **120 000** |
| B | KZN271 uMhlabuyalingana | 45 633 | 46 115 | 48 134 | - | - | - | - | - | - | 14 250 | 10 000 | 10 452 | - | - | - | - | - | - | - | - | - |
| B | KZN272 Jozini | 45 757 | 49 527 | 51 713 | 9 704 | - | - | - | - | - | 4 275 | 10 000 | 10 452 | - | - | - | - | - | - | - | - | - |
| B | KZN275 Inkosi uMtubatuba | 38 656 | 41 769 | 43 575 | - | - | - | - | - | 4 000 | 2 850 | 7 509 | 7 848 | - | - | - | - | - | - | - | - | - |
| B | KZN276 Big Five Hlabisa | 25 581 | 27 485 | 28 589 | - | - | - | - | - | - | - | 7 560 | 7 902 | - | - | - | - | - | - | - | - | - |
| C | DC27 uMkhanyakude District Municipality | 255 662 | 278 849 | 292 296 | - | - | - | - | - | - | - | - | - | 3 077 | 3 218 | 3 362 | - | - | - | - | - | - |
| **Total: uMkhanyakude Municipalities** | | **411 289** | **443 745** | **464 307** | **9 704** | **-** | **-** | **-** | **-** | **4 000** | **21 375** | **35 069** | **36 654** | **3 077** | **3 218** | **3 362** | **-** | **-** | **-** | **-** | **-** | **-** |
| B | KZN281 uMfolozi | 31 703 | 34 173 | 35 605 | - | - | - | - | - | - | - | 9 113 | 9 525 | - | - | - | - | - | - | - | - | - |
| B | KZN282 uMhlathuze | - | - | - | - | - | - | - | 5 000 | - | 8 550 | 5 207 | 5 442 | - | - | - | - | - | - | 70 129 | 80 000 | 84 000 |
| B | KZN284 uMlalazi | 49 518 | 53 636 | 56 025 | - | - | - | - | - | - | 1 710 | 5 207 | 5 442 | - | - | - | - | - | - | - | - | - |
| B | KZN285 Mthonjaneni | 28 902 | 22 919 | 23 799 | - | - | - | - | - | - | 5 977 | 6 230 | 6 512 | - | - | - | - | - | - | - | - | - |
| B | KZN286 Nkandla | 27 437 | 29 512 | 30 716 | - | - | - | 4 000 | - | 4 000 | 12 850 | 9 113 | 9 525 | - | - | - | - | - | - | - | - | - |
| C | DC28 King Cetshwayo District Municipality | 203 593 | 221 964 | 232 618 | - | - | - | - | - | - | - | - | - | 2 965 | 3 100 | 3 239 | 178 356 | 129 356 | 208 356 | 100 000 | 105 000 | 120 750 |
| **Total: King Cetshwayo Municipalities** | | **341 153** | **362 204** | **378 763** | **-** | **-** | **-** | **4 000** | **5 000** | **4 000** | **29 087** | **34 870** | **36 446** | **2 965** | **3 100** | **3 239** | **178 356** | **129 356** | **208 356** | **170 129** | **185 000** | **204 750** |
| B | KZN291 Mandeni | 48 228 | 46 764 | 48 814 | - | - | - | - | - | - | - | 9 109 | 9 521 | - | - | - | - | - | - | - | - | - |
| B | KZN292 KwaDukuza | 63 825 | 69 266 | 72 422 | - | - | - | - | - | - | - | 9 344 | 9 766 | - | - | - | - | - | - | - | - | - |
| B | KZN293 Ndwedwe | 46 208 | 39 095 | 40 769 | - | - | - | - | - | - | - | 7 811 | 8 164 | - | - | - | - | - | - | - | - | - |
| B | KZN294 Maphumulo | 26 787 | 28 802 | 29 971 | - | - | - | - | - | - | 17 100 | 9 344 | 9 766 | - | - | - | - | - | - | - | - | - |
| C | DC29 iLembe District Municipality | 229 547 | 250 319 | 262 365 | - | - | - | - | - | - | - | - | - | 2 663 | 2 785 | 2 910 | - | - | - | 100 000 | 105 000 | 110 750 |
| **Total: iLembe Municipalities** | | **414 595** | **434 246** | **454 341** | **-** | **-** | **-** | **-** | **-** | **-** | **17 100** | **35 608** | **37 217** | **2 663** | **2 785** | **2 910** | **-** | **-** | **-** | **100 000** | **105 000** | **110 750** |
| B | KZN433 Greater Kokstad | 20 531 | 21 968 | 22 801 | - | - | - | - | - | - | 13 380 | 6 230 | 6 512 | - | - | - | - | - | - | - | - | - |
| B | KZN434 Johannes Phumani Phungula | 32 576 | 35 127 | 36 606 | - | - | - | - | - | - | 14 677 | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| B | KZN435 uMzimkhulu | 53 278 | 57 743 | 60 333 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | - | - | - |
| B | KZN436 Dr Nkosazana Dlamini Zuma | 38 868 | 35 446 | 36 941 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | - | - | - |
| C | DC43 Harry Gwala District Municipality | 239 006 | 260 653 | 273 206 | - | - | - | - | - | - | - | - | - | 2 610 | 2 730 | 2 852 | - | - | - | 100 000 | 115 000 | 120 750 |
| **Total: Harry Gwala Municipalities** | | **384 259** | **410 937** | **429 887** | **-** | **-** | **-** | **-** | **-** | **-** | **28 057** | **23 230** | **24 280** | **2 610** | **2 730** | **2 852** | **-** | **-** | **-** | **100 000** | **115 000** | **120 750** |
| **Total: KwaZulu-Natal Municipalities** | | **3 829 070** | **4 061 275** | **4 248 420** | **76 432** | **-** | **-** | **30 000** | **35 000** | **48 000** | **346 125** | **342 710** | **358 231** | **28 354** | **29 654** | **30 981** | **722 834** | **499 441** | **616 556** | **1 121 129** | **1 205 000** | **1 280 929** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

| | | Municipal Infrastructure Grant | | | Municipal Disaster Recovery Grant | | | Energy Efficiency and Demand-Side Management Grant | | | Integrated National Electrification Programme (Municipal) Grant | | | Rural Roads Asset Management Systems Grant | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| **LIMPOPO** | | | | | | | | | | | | | | | | | | | | | | |
| B | LIM331 Greater Giyani | 75 059 | 81 540 | 85 298 | - | - | - | 4 000 | - | 4 000 | 17 025 | 19 000 | 19 859 | - | - | - | - | - | - | - | - | - |
| B | LIM332 Greater Letaba | 81 185 | 77 307 | 80 858 | - | - | - | 5 000 | - | - | 12 079 | 9 000 | 9 407 | - | - | - | - | - | - | - | - | - |
| B | LIM333 Greater Tzaneen | 122 308 | 127 697 | 133 722 | - | - | - | - | 5 000 | - | 10 536 | 9 000 | 9 407 | - | - | - | - | - | - | - | - | - |
| B | LIM334 Ba-Phalaborwa | 39 035 | 42 184 | 44 010 | - | - | - | - | 5 000 | - | 5 855 | 8 000 | 8 362 | - | - | - | - | - | - | - | - | - |
| B | LIM335 Maruleng | 32 439 | 34 977 | 36 449 | - | - | - | - | - | - | 5 371 | - | - | - | - | - | - | - | - | - | - | - |
| C | DC33 Mopani District Municipality | 543 922 | 593 774 | 622 684 | - | - | - | - | - | - | - | - | - | 2 587 | 2 706 | 2 827 | - | - | - | - | - | - |
| **Total: Mopani Municipalities** | | **893 948** | **957 479** | **1 003 021** | **-** | **-** | **-** | **9 000** | **10 000** | **4 000** | **50 866** | **45 000** | **47 035** | **2 587** | **2 706** | **2 827** | **-** | **-** | **-** | **-** | **-** | **-** |
| B | LIM341 Musina | 35 242 | 38 040 | 39 662 | - | - | - | - | - | - | - | 9 344 | 9 766 | - | - | - | - | - | - | - | - | - |
| B | LIM343 Thulamela | 138 751 | 134 736 | 141 107 | - | - | - | 4 000 | 5 000 | - | 6 681 | 12 458 | 13 021 | - | - | - | - | - | - | - | - | - |
| B | LIM344 Makhado | 111 407 | 121 250 | 126 958 | 6 006 | - | - | - | - | - | 15 181 | 10 000 | 10 452 | - | - | - | - | - | - | - | - | - |
| B | LIM345 Collins Chabane | 101 908 | 110 873 | 116 071 | - | - | - | - | - | 4 000 | 9 613 | 9 500 | 9 929 | - | - | - | - | - | - | - | - | - |
| C | DC34 Vhembe District Municipality | 616 348 | 672 901 | 705 697 | - | - | - | - | - | - | - | - | - | 2 638 | 2 758 | 2 882 | - | - | - | 82 217 | 92 737 | 89 874 |
| **Total: Vhembe Municipalities** | | **1 003 656** | **1 077 800** | **1 129 495** | **6 006** | **-** | **-** | **4 000** | **5 000** | **4 000** | **31 475** | **41 302** | **43 168** | **2 638** | **2 758** | **2 882** | **-** | **-** | **-** | **82 217** | **92 737** | **89 874** |
| B | LIM351 Blouberg | 54 524 | 59 105 | 61 761 | 15 717 | - | - | - | - | - | - | 16 000 | 16 723 | - | - | - | - | - | - | - | - | - |
| B | LIM353 Molemole | 52 929 | 46 438 | 48 473 | - | - | - | - | - | - | 15 971 | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| B | LIM354 Polokwane | - | - | - | 4 765 | - | - | 3 000 | - | 5 000 | 11 755 | 12 000 | 12 542 | - | - | - | 155 509 | 255 509 | 207 387 | 65 000 | 70 022 | 95 396 |
| B | LIM355 Lepele-Nkumpi | 66 752 | 72 464 | 75 777 | - | - | - | - | - | - | - | 7 000 | 7 316 | - | - | - | - | - | - | - | - | - |
| C | DC35 Capricorn District Municipality | 275 909 | 300 969 | 315 502 | - | - | - | - | - | - | - | - | - | 2 840 | 2 969 | 3 103 | - | - | - | 155 000 | 140 022 | 148 773 |
| **Total: Capricorn Municipalities** | | **450 114** | **478 976** | **501 513** | **20 482** | **-** | **-** | **3 000** | **-** | **5 000** | **27 726** | **42 000** | **43 897** | **2 840** | **2 969** | **3 103** | **155 509** | **255 509** | **207 387** | **220 000** | **210 044** | **244 169** |
| B | LIM361 Thabazimbi | 29 780 | 42 910 | 44 772 | - | - | - | - | - | - | 20 000 | 16 000 | 16 723 | - | - | - | - | - | - | - | - | - |
| B | LIM362 Lephalale | 52 566 | 56 966 | 59 518 | - | - | - | 4 000 | - | 5 000 | - | 11 212 | 11 719 | - | - | - | - | - | - | - | - | - |
| B | LIM366 Bela-Bela | 30 833 | 33 223 | 34 608 | - | - | - | 3 000 | 5 000 | - | 15 000 | 10 000 | 10 452 | - | - | - | - | - | - | 93 000 | 91 044 | 91 973 |
| B | LIM367 Mogalakwena | 190 684 | 207 860 | 217 821 | - | - | - | 4 000 | 2 000 | - | 13 416 | 6 230 | 6 512 | - | - | - | - | - | - | 72 000 | 88 022 | 81 923 |
| B | LIM368 Modimolle-Mookgophong | 46 449 | 50 283 | 52 507 | - | - | - | 4 000 | 5 000 | - | 12 000 | 11 000 | 11 497 | - | - | - | - | - | - | - | - | - |
| C | DC36 Waterberg District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 500 | 2 614 | 2 732 | - | - | - | - | - | - |
| **Total: Waterberg Municipalities** | | **350 312** | **391 242** | **409 226** | **-** | **-** | **-** | **15 000** | **12 000** | **5 000** | **60 416** | **54 442** | **56 903** | **2 500** | **2 614** | **2 732** | **-** | **-** | **-** | **165 000** | **179 066** | **173 896** |
| B | LIM471 Ephraim Mogale | 40 786 | 44 097 | 46 016 | - | - | - | - | - | - | 6 425 | - | - | - | - | - | - | - | - | - | - | - |
| B | LIM472 Elias Motsoaledi | 67 807 | 73 617 | 76 986 | - | - | - | 4 000 | - | 4 000 | 20 283 | 4 983 | 5 209 | - | - | - | - | - | - | - | - | - |
| B | LIM473 Makhuduthamaga | 76 853 | 83 500 | 87 354 | - | - | - | - | - | - | 5 436 | 14 327 | 14 975 | - | - | - | - | - | - | - | - | - |
| B | LIM476 Fetakgomo Tubatse | 104 858 | 114 095 | 119 452 | - | - | - | 3 000 | 4 000 | - | 34 886 | 27 158 | 28 386 | - | - | - | - | - | - | - | - | - |
| C | DC47 Sekhukhune District Municipality | 425 942 | 620 888 | 651 129 | - | - | - | - | - | - | - | - | - | 2 686 | 2 809 | 2 935 | - | - | - | - | - | - |
| **Total: Sekhukhune Municipalities** | | **716 246** | **936 197** | **980 937** | **-** | **-** | **-** | **7 000** | **4 000** | **4 000** | **67 030** | **46 468** | **48 570** | **2 686** | **2 809** | **2 935** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total: Limpopo Municipalities** | | **3 414 275** | **3 841 694** | **4 024 192** | **26 488** | **-** | **-** | **38 000** | **31 000** | **22 000** | **237 513** | **229 212** | **239 573** | **13 251** | **13 856** | **14 479** | **155 509** | **255 509** | **207 387** | **467 217** | **481 847** | **507 939** |
| **MPUMALANGA** | | | | | | | | | | | | | | | | | | | | | | |
| B | MP301 Chief Albert Luthuli | 105 491 | 114 787 | 120 177 | 11 863 | - | - | - | - | - | 15 000 | 8 000 | 8 362 | - | - | - | 205 000 | 230 887 | 235 167 | 93 000 | 90 140 | 89 897 |
| B | MP302 Msukaligwa | 63 581 | 69 000 | 72 143 | - | - | - | 4 000 | 4 000 | - | 2 691 | 6 509 | 6 803 | - | - | - | 50 000 | 130 000 | 150 000 | 45 000 | 49 850 | 52 343 |
| B | MP303 Mkhondo | 94 406 | 102 677 | 107 473 | 16 968 | - | - | 4 000 | 4 000 | - | 10 000 | 7 000 | 7 316 | - | - | - | - | - | - | 23 248 | 10 000 | 10 000 |
| B | MP304 Dr Pixley ka Isaka Seme | 31 519 | 33 973 | 35 395 | - | - | - | - | - | - | - | 8 462 | 8 844 | - | - | - | - | - | - | 38 935 | 44 479 | 41 453 |
| B | MP305 Lekwa | 26 012 | 37 391 | 38 981 | - | - | - | 4 000 | 4 000 | - | 10 000 | 9 764 | 10 205 | - | - | - | - | - | - | - | - | - |
| B | MP306 Dipaleseng | 16 528 | 23 602 | 24 516 | - | - | - | - | - | - | - | 9 764 | 10 205 | - | - | - | - | - | - | - | - | - |
| B | MP307 Govan Mbeki | 70 975 | 77 078 | 80 617 | - | - | - | - | - | 4 000 | 40 000 | 17 000 | 17 768 | - | - | - | - | - | - | - | - | - |
| C | DC30 Gert Sibande District Municipality | 15 000 | - | - | - | - | - | - | - | - | - | - | - | 2 713 | 2 838 | 2 965 | - | - | - | - | - | - |
| **Total: Gert Sibande Municipalities** | | **423 512** | **458 508** | **479 302** | **28 831** | **-** | **-** | **12 000** | **12 000** | **4 000** | **77 691** | **66 499** | **69 503** | **2 713** | **2 838** | **2 965** | **255 000** | **360 887** | **385 167** | **200 183** | **194 469** | **193 693** |
| B | MP311 Victor Khanye | 29 618 | 31 895 | 33 215 | - | - | - | - | - | - | - | 9 671 | 10 108 | - | - | - | - | - | - | - | - | - |
| B | MP312 Emalahleni | 146 292 | 159 362 | 166 941 | - | - | - | 3 000 | 5 000 | 5 000 | 27 731 | 27 000 | 28 220 | - | - | - | 30 000 | - | - | 15 494 | 37 365 | 43 983 |
| B | MP313 Steve Tshwete | - | - | - | - | - | - | - | - | - | - | 9 764 | 10 205 | - | - | - | 1 000 | 60 000 | 70 000 | 20 000 | - | - |
| B | MP314 Emakhazeni | 31 387 | 22 903 | 23 782 | - | - | - | 4 000 | 5 000 | - | 5 000 | 9 764 | 10 205 | - | - | - | - | - | - | 20 000 | 39 501 | 42 126 |
| B | MP315 Thembisile Hani | 150 678 | 164 154 | 171 969 | - | - | - | - | 4 000 | - | 13 941 | - | - | - | - | - | 98 887 | - | - | 82 526 | 70 482 | 74 006 |
| B | MP316 Dr JS Moroka | 160 817 | 165 399 | 173 275 | - | - | - | - | - | - | 10 827 | - | - | - | - | - | - | - | - | - | - | - |
| C | DC31 Nkangala District Municipality | - | - | - | - | - | - | 5 000 | 5 000 | 5 000 | - | - | - | 2 556 | 2 673 | 2 793 | - | - | - | - | - | - |
| **Total: Nkangala Municipalities** | | **518 792** | **543 713** | **569 182** | **-** | **-** | **-** | **12 000** | **19 000** | **10 000** | **57 499** | **56 199** | **58 738** | **2 556** | **2 673** | **2 793** | **129 887** | **60 000** | **70 000** | **138 020** | **147 348** | **160 115** |
| B | MP321 Thaba Chweu | 66 284 | 62 120 | 64 925 | - | - | - | - | - | - | 5 000 | 7 811 | 8 164 | - | - | - | 5 000 | 30 000 | 30 000 | 50 763 | 60 607 | 63 357 |
| B | MP324 Nkomazi | 273 658 | 298 510 | 312 922 | 44 047 | - | - | - | - | - | 13 410 | 5 000 | 5 226 | - | - | - | 10 000 | 10 000 | 30 600 | 40 000 | 40 380 | 42 399 |
| B | MP325 Bushbuckridge | 454 303 | 495 866 | 519 969 | 11 052 | - | - | 5 000 | 5 000 | - | 2 500 | 9 000 | 9 407 | - | - | - | 1 000 | 40 000 | 40 000 | 40 000 | 46 439 | 47 683 |
| B | MP326 City of Mbombela | 406 484 | 443 623 | 465 161 | 18 105 | - | - | 4 000 | 5 000 | 5 000 | 30 500 | 26 000 | 27 175 | - | - | - | - | - | - | - | - | - |
| C | DC32 Ehlanzeni District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 757 | 2 883 | 3 012 | - | - | - | - | - | - |
| **Total: Ehlanzeni Municipalities** | | **1 200 729** | **1 300 119** | **1 362 977** | **73 204** | **-** | **-** | **9 000** | **10 000** | **5 000** | **51 410** | **47 811** | **49 972** | **2 757** | **2 883** | **3 012** | **16 000** | **80 000** | **100 600** | **130 763** | **147 426** | **153 439** |
| **Total: Mpumalanga Municipalities** | | **2 143 033** | **2 302 340** | **2 411 461** | **102 035** | **-** | **-** | **33 000** | **41 000** | **19 000** | **186 600** | **170 509** | **178 213** | **8 026** | **8 394** | **8 770** | **400 887** | **500 887** | **555 767** | **468 966** | **489 243** | **507 247** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

| | | Municipal Infrastructure Grant | | | Municipal Disaster Recovery Grant | | | Energy Efficiency and Demand-Side Management Grant | | | Integrated National Electrification Programme (Municipal) Grant | | | Rural Roads Asset Management Systems Grant | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTHERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| B | NC061 Richtersveld | 16 904 | 8 172 | 8 328 | - | - | - | - | - | - | - | 1 192 | 1 246 | - | - | - | - | - | - | - | - | 19 102 |
| B | NC062 Nama Khoi | 12 696 | 18 017 | 18 657 | - | - | - | - | - | 4 000 | - | 1 312 | 1 371 | - | - | - | - | - | - | 10 000 | 20 000 | 26 250 |
| B | NC064 Kamiesberg | 8 179 | 8 473 | 8 643 | - | - | - | - | - | - | - | 1 073 | 1 121 | - | - | - | - | - | - | - | - | - |
| B | NC065 Hantam | 20 429 | 11 477 | 11 795 | - | - | - | - | - | 5 000 | 1 500 | 3 488 | 3 646 | - | - | - | - | - | - | - | 19 356 | 20 324 |
| B | NC066 Karoo Hoogland | 8 847 | 9 203 | 9 409 | - | - | - | - | - | - | 1 500 | 1 699 | 1 776 | - | - | - | - | - | - | 30 000 | - | - |
| B | NC067 Khâi-Ma | 8 447 | 8 766 | 8 951 | - | - | - | - | - | - | 1 000 | 1 908 | 1 994 | - | - | - | - | - | - | 10 000 | 27 000 | - |
| C | DC6 Namakwa District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 3 404 | 3 560 | 3 719 | - | - | - | - | - | - |
| **Total: Namakwa Municipalities** | | **75 502** | **64 108** | **65 783** | **-** | **-** | **-** | **-** | **-** | **9 000** | **4 000** | **10 672** | **11 154** | **3 404** | **3 560** | **3 719** | **-** | **-** | **-** | **50 000** | **66 356** | **65 676** |
| B | NC071 Ubuntu | 18 179 | 11 750 | 12 082 | - | - | - | - | - | 4 000 | 6 600 | 3 740 | 3 909 | - | - | - | - | - | - | 11 000 | 15 000 | - |
| B | NC072 Umsobomvu | 23 087 | 13 835 | 14 269 | - | - | - | - | - | - | - | 1 192 | 1 246 | - | - | - | - | - | - | 15 000 | - | 15 000 |
| B | NC073 Emthanjeni | 10 452 | 14 749 | 15 228 | - | - | - | - | - | - | - | 2 500 | 2 613 | - | - | - | - | - | - | 28 285 | 30 000 | 11 750 |
| B | NC074 Kareeberg | 8 769 | 9 117 | 9 319 | - | - | - | - | - | - | 1 500 | 2 500 | 2 613 | - | - | - | - | - | - | - | - | 10 000 |
| B | NC075 Renosterberg | 8 092 | 8 378 | 8 544 | - | - | - | - | - | - | 400 | 1 312 | 1 371 | - | - | - | - | - | - | 10 000 | 12 000 | - |
| B | NC076 Thembelihle | 10 472 | 10 979 | 11 272 | - | - | - | 2 000 | - | - | 3 910 | 1 252 | 1 309 | - | - | - | - | - | - | - | - | 15 000 |
| B | NC077 Siyathemba | 19 013 | 11 569 | 11 892 | - | - | - | 4 000 | 4 000 | - | - | 3 279 | 3 427 | - | - | - | - | - | - | 10 000 | 12 000 | - |
| B | NC078 Siyancuma | 19 287 | 20 608 | 21 375 | - | - | - | - | - | - | - | 5 000 | 5 226 | - | - | - | - | - | - | 11 000 | 12 000 | 13 350 |
| C | DC7 Pixley Ka Seme District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 3 529 | 3 691 | 3 856 | - | - | - | - | - | - |
| **Total: Pixley Ka Seme Municipalities** | | **117 351** | **100 985** | **103 981** | **-** | **-** | **-** | **6 000** | **4 000** | **4 000** | **12 410** | **20 775** | **21 714** | **3 529** | **3 691** | **3 856** | **-** | **-** | **-** | **85 285** | **81 000** | **65 100** |
| B | NC082 !Kai !Garib | 24 897 | 28 503 | 29 657 | - | - | - | - | - | - | 12 375 | 5 724 | 5 983 | - | - | - | - | - | - | 8 000 | 3 000 | - |
| B | NC084 !Kheis | 11 979 | 12 624 | 12 998 | - | - | - | - | - | - | - | 1 073 | 1 121 | - | - | - | - | - | - | 10 000 | 10 000 | - |
| B | NC085 Tsantsabane | 17 923 | 19 118 | 19 811 | - | - | - | - | - | - | - | 7 000 | 7 316 | - | - | - | - | - | - | 14 163 | 12 000 | - |
| B | NC086 Kgatelopele | 8 812 | 9 165 | 9 369 | - | - | - | - | - | - | - | 2 000 | 2 090 | - | - | - | - | - | - | 20 000 | - | - |
| B | NC087 Dawid Kruiper | 39 399 | 32 202 | 33 538 | - | - | - | - | - | - | 21 093 | 5 664 | 5 920 | - | - | - | - | - | - | 11 734 | 20 000 | 21 000 |
| C | DC8 Z.F. Mgcawu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 3 361 | 3 515 | 3 673 | - | - | - | - | - | - |
| **Total: Z.F. Mgcawu Municipalities** | | **103 010** | **101 612** | **105 373** | **-** | **-** | **-** | **-** | **-** | **-** | **33 468** | **21 461** | **22 430** | **3 361** | **3 515** | **3 673** | **-** | **-** | **-** | **63 897** | **45 000** | **21 000** |
| B | NC091 Sol Plaatjie | - | - | - | - | - | - | 5 000 | 5 000 | - | 19 000 | 14 000 | 14 633 | - | - | - | 574 000 | 579 000 | 490 000 | 10 000 | - | - |
| B | NC092 Dikgatlong | 22 963 | 24 624 | 25 588 | - | - | - | - | - | - | 20 500 | 5 068 | 5 297 | - | - | - | - | - | - | 3 000 | 4 000 | - |
| B | NC093 Magareng | 12 641 | 13 348 | 13 757 | - | - | - | - | - | - | - | 894 | 934 | - | - | - | - | - | - | 10 000 | 14 192 | 21 000 |
| B | NC094 Phokwane | 23 427 | 33 645 | 35 052 | - | - | - | - | - | - | 10 000 | 8 000 | 8 362 | - | - | - | - | - | - | 30 000 | 40 000 | 47 250 |
| C | DC9 Frances Baard District Municipality | - | - | - | - | - | - | 4 000 | 5 000 | 5 000 | - | - | - | 2 955 | 3 091 | 3 229 | - | - | - | - | - | - |
| **Total: Frances Baard Municipalities** | | **59 031** | **71 617** | **74 397** | **-** | **-** | **-** | **9 000** | **10 000** | **5 000** | **49 500** | **27 962** | **29 226** | **2 955** | **3 091** | **3 229** | **574 000** | **579 000** | **490 000** | **53 000** | **58 192** | **68 250** |
| B | NC451 Joe Morolong | 72 124 | 78 334 | 81 935 | - | - | - | - | - | - | - | 1 192 | 1 247 | - | - | - | - | - | - | 50 000 | 50 000 | 63 500 |
| B | NC452 Ga-Segonyana | 64 053 | 69 516 | 72 683 | - | - | - | 3 000 | - | 5 000 | 15 500 | 14 000 | 14 633 | - | - | - | - | - | - | 30 000 | 30 000 | 55 500 |
| B | NC453 Gamagara | 13 559 | 14 351 | 14 810 | - | - | - | - | - | - | - | 12 000 | 12 542 | - | - | - | - | - | - | 10 392 | 25 000 | 29 400 |
| C | DC45 John Taolo Gaetsewe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 325 | 2 432 | 2 541 | - | - | - | - | - | - |
| **Total: John Taolo Gaetsewe Municipalities** | | **149 736** | **162 201** | **169 428** | **-** | **-** | **-** | **3 000** | **-** | **5 000** | **15 500** | **27 192** | **28 422** | **2 325** | **2 432** | **2 541** | **-** | **-** | **-** | **90 392** | **105 000** | **148 400** |
| **Total: Northern Cape Municipalities** | | **504 629** | **500 523** | **518 962** | **-** | **-** | **-** | **18 000** | **14 000** | **23 000** | **114 878** | **108 062** | **112 946** | **15 574** | **16 289** | **17 018** | **574 000** | **579 000** | **490 000** | **342 574** | **355 548** | **368 426** |
| **NORTH WEST** | | | | | | | | | | | | | | | | | | | | | | |
| B | NW371 Moretele | 139 506 | 151 949 | 159 164 | - | - | - | 4 000 | 5 000 | - | - | - | - | - | - | - | - | - | - | 42 563 | 44 947 | 48 944 |
| B | NW372 Madibeng | 353 671 | 375 000 | 393 167 | - | - | - | - | - | - | 28 235 | 19 000 | 19 859 | - | - | - | - | - | - | - | - | - |
| B | NW373 Rustenburg | 288 219 | 314 419 | 329 612 | - | - | - | 4 000 | 4 000 | - | 14 700 | 23 000 | 24 040 | - | - | - | - | - | - | 50 000 | 40 138 | 50 300 |
| B | NW374 Kgetlengrivier | 30 715 | 33 094 | 34 473 | - | - | - | - | 5 000 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NW375 Moses Kotane | 182 068 | 198 447 | 207 946 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 50 000 | 52 243 | 56 350 |
| C | DC37 Bojanala Platinum District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 772 | 2 899 | 3 029 | - | - | - | - | - | - |
| **Total: Bojanala Platinum Municipalities** | | **994 179** | **1 072 909** | **1 124 362** | **-** | **-** | **-** | **8 000** | **14 000** | **-** | **42 935** | **42 000** | **43 899** | **2 772** | **2 899** | **3 029** | **-** | **-** | **-** | **142 563** | **137 328** | **155 594** |
| B | NW381 Ratlou | 35 691 | 38 531 | 40 177 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NW382 Tswaing | 35 544 | 38 369 | 40 007 | - | - | - | - | - | - | - | 4 500 | 4 704 | - | - | - | - | - | - | - | - | - |
| B | NW383 Mafikeng | 105 851 | 82 405 | 86 206 | - | - | - | 5 000 | 5 000 | 6 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NW384 Ditsobotla | 44 709 | 48 382 | 50 512 | - | - | - | - | - | - | - | 2 981 | 3 116 | - | - | - | - | - | - | - | - | - |
| B | NW385 Ramotshere Moiloa | 45 461 | 49 204 | 51 374 | - | - | - | - | - | - | - | 4 770 | 4 986 | - | - | - | - | - | - | - | - | - |
| C | DC38 Ngaka Modiri Molema District Municipality | 358 525 | 391 228 | 410 193 | - | - | - | - | - | - | - | - | - | 2 978 | 3 115 | 3 254 | - | - | - | - | - | - |
| **Total: Ngaka Modiri Molema Municipalities** | | **625 781** | **648 119** | **678 469** | **-** | **-** | **-** | **5 000** | **5 000** | **6 000** | **-** | **12 251** | **12 806** | **2 978** | **3 115** | **3 254** | **-** | **-** | **-** | **-** | **-** | **-** |
| B | NW392 Naledi | 30 098 | 21 495 | 22 305 | - | - | - | - | - | - | 33 752 | 12 000 | 12 542 | - | - | - | - | - | - | - | - | - |
| B | NW393 Mamusa | 18 473 | 19 719 | 20 442 | - | - | - | - | - | 4 000 | 4 125 | 10 845 | 11 335 | - | - | - | - | - | - | - | - | - |
| B | NW394 Greater Taung | 63 596 | 63 554 | 66 429 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NW396 Lekwa-Teemane | 17 346 | 18 488 | 19 151 | - | - | - | 4 000 | - | 4 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NW397 Kagisano-Molopo | 36 531 | 39 448 | 41 140 | - | - | - | 3 000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C | DC39 Dr Ruth Segomotsi Mompati District Municipality | 165 171 | 179 988 | 188 580 | - | - | - | - | - | - | - | - | - | 2 866 | 2 997 | 3 131 | 457 588 | 396 086 | 397 660 | 123 267 | 129 100 | 131 100 |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | **331 215** | **342 692** | **358 047** | **-** | **-** | **-** | **7 000** | **-** | **8 000** | **37 877** | **22 845** | **23 877** | **2 866** | **2 997** | **3 131** | **457 588** | **396 086** | **397 660** | **123 267** | **129 100** | **131 100** |
| B | NW403 City of Matlosana | 108 271 | 117 824 | 123 364 | - | - | - | 5 000 | 4 000 | - | 24 733 | 10 500 | 10 975 | - | - | - | - | - | - | 70 000 | 74 000 | 76 950 |
| B | NW404 Maquassi Hills | 33 772 | 36 433 | 37 976 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 70 000 | 83 000 | 74 950 |
| B | NW405 JB Marks | 97 509 | 88 587 | 92 691 | - | - | - | - | - | 4 000 | - | 13 000 | 13 588 | - | - | - | - | - | - | 60 855 | 65 815 | 68 856 |
| C | DC40 Dr Kenneth Kaunda District Municipality | - | - | - | - | - | - | 4 000 | 4 000 | - | - | - | - | 2 884 | 3 016 | 3 152 | - | - | - | - | - | - |
| **Total: Dr Kenneth Kaunda Municipalities** | | **239 552** | **242 844** | **254 031** | **-** | **-** | **-** | **9 000** | **8 000** | **4 000** | **24 733** | **23 500** | **24 563** | **2 884** | **3 016** | **3 152** | **-** | **-** | **-** | **200 855** | **222 815** | **220 756** |
| **Total: North West Municipalities** | | **2 190 727** | **2 306 564** | **2 414 909** | **-** | **-** | **-** | **29 000** | **27 000** | **18 000** | **105 545** | **100 596** | **105 145** | **11 500** | **12 027** | **12 566** | **457 588** | **396 086** | **397 660** | **466 685** | **489 243** | **507 450** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2**

| Category | Municipality | Municipal Infrastructure Grant | | | Municipal Disaster Recovery Grant | | | Energy Efficiency and Demand-Side Management Grant | | | Integrated National Electrification Programme (Municipal) Grant | | | Rural Roads Asset Management Systems Grant | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **WESTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A | CPT City of Cape Town | - | - | - | - | - | - | 7 000 | 8 500 | 9 000 | - | - | - | - | - | - | - | - | - | - | - | - |
| B | WC011 Matzikama | 25 180 | 27 046 | 28 129 | - | - | - | - | - | - | 4 080 | 11 500 | 12 020 | - | - | - | - | - | - | 20 000 | 30 000 | 24 744 |
| B | WC012 Cederberg | 18 263 | 19 489 | 20 201 | - | - | - | - | - | - | 10 400 | 4 949 | 5 173 | - | - | - | - | - | - | - | 27 691 | 47 250 |
| B | WC013 Bergrivier | 16 912 | 18 013 | 18 652 | - | - | - | - | - | 5 000 | 10 300 | 2 981 | 3 116 | - | - | - | - | - | - | - | - | - |
| B | WC014 Saldanha Bay | 23 099 | 24 773 | 25 744 | - | - | - | - | - | - | - | 8 943 | 9 347 | - | - | - | - | - | - | - | - | - |
| B | WC015 Swartland | 25 405 | 27 293 | 28 388 | - | - | - | - | - | - | 21 322 | 20 868 | 21 811 | - | - | - | - | - | - | 17 044 | - | - |
| C | DC1 West Coast District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 967 | 3 103 | 3 242 | - | - | - | - | - | - |
| **Total: West Coast Municipalities** | | **108 859** | **116 614** | **121 114** | **-** | **-** | **-** | **-** | **-** | **5 000** | **46 102** | **49 241** | **51 467** | **2 967** | **3 103** | **3 242** | **-** | **-** | **-** | **37 044** | **57 691** | **71 994** |
| B | WC022 Witzenberg | 26 770 | 28 783 | 29 951 | - | - | - | 4 000 | - | 4 616 | - | 596 | 624 | - | - | - | - | - | - | - | - | - |
| B | WC023 Drakenstein | - | - | - | - | - | - | - | - | - | 12 140 | 11 924 | 12 463 | - | - | - | 490 000 | 225 000 | - | - | - | - |
| B | WC024 Stellenbosch | - | - | - | - | - | - | 5 000 | 5 000 | - | 6 188 | 9 943 | 10 392 | - | - | - | - | - | - | - | - | - |
| B | WC025 Breede Valley | 41 650 | 45 040 | 47 006 | - | - | - | - | - | - | 15 596 | 17 518 | 18 310 | - | - | - | - | - | - | 20 000 | 30 000 | 7 000 |
| B | WC026 Langeberg | 33 585 | 28 145 | 29 282 | - | - | - | - | - | - | 8 347 | 3 500 | 3 658 | - | - | - | - | - | - | 12 302 | - | - |
| C | DC2 Cape Winelands District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 3 153 | 3 297 | 3 445 | - | - | - | - | - | - |
| **Total: Cape Winelands Municipalities** | | **102 005** | **101 968** | **106 239** | **-** | **-** | **-** | **9 000** | **5 000** | **4 616** | **42 271** | **43 481** | **45 447** | **3 153** | **3 297** | **3 445** | **490 000** | **225 000** | **-** | **32 302** | **30 000** | **7 000** |
| B | WC031 Theewaterskloof | 31 668 | 34 135 | 35 566 | - | - | - | - | - | - | - | 6 000 | 6 271 | - | - | - | - | - | - | - | - | - |
| B | WC032 Overstrand | 34 082 | 28 250 | 29 392 | - | - | - | - | - | - | 13 908 | 9 551 | 9 983 | - | - | - | - | - | - | 28 427 | 26 242 | - |
| B | WC033 Cape Agulhas | 12 484 | 13 177 | 13 578 | - | - | - | - | - | - | - | 2 000 | 2 090 | - | - | - | - | - | - | - | - | - |
| B | WC034 Swellendam | 13 612 | 14 409 | 14 871 | - | - | - | 4 000 | - | 4 000 | 14 142 | 3 000 | 3 136 | - | - | - | - | - | - | 33 000 | 23 615 | - |
| C | DC3 Overberg District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 3 107 | 3 249 | 3 395 | - | - | - | - | - | - |
| **Total: Overberg Municipalities** | | **91 846** | **89 971** | **93 407** | **-** | **-** | **-** | **4 000** | **-** | **4 000** | **28 050** | **20 551** | **21 480** | **3 107** | **3 249** | **3 395** | **-** | **-** | **-** | **61 427** | **49 857** | **-** |
| B | WC041 Kannaland | 11 544 | 12 149 | 12 500 | - | - | - | - | - | - | 3 412 | 700 | 732 | - | - | - | - | - | - | - | - | 36 750 |
| B | WC042 Hessequa | 15 812 | 16 812 | 17 392 | - | - | - | - | - | 4 000 | - | 3 000 | 3 136 | - | - | - | - | - | - | - | - | - |
| B | WC043 Mossel Bay | 28 770 | 30 969 | 32 244 | - | - | - | - | - | - | 12 444 | 5 000 | 5 226 | - | - | - | - | - | - | - | - | - |
| B | WC044 George | - | - | - | - | - | - | - | - | - | 3 700 | 4 000 | 4 181 | - | - | - | - | - | - | - | - | - |
| B | WC045 Oudtshoorn | 25 756 | 27 676 | 28 790 | - | - | - | - | 4 000 | 4 000 | 1 147 | 5 000 | 5 226 | - | - | - | - | - | - | 12 600 | - | - |
| B | WC047 Bitou | 23 805 | 25 545 | 26 554 | - | - | - | - | - | - | 3 321 | 5 000 | 5 226 | - | - | - | - | - | - | - | - | - |
| B | WC048 Knysna | 29 765 | 32 056 | 33 385 | - | - | - | - | - | - | 10 000 | 9 000 | 9 407 | - | - | - | - | - | - | 7 000 | - | 15 506 |
| C | DC4 Garden Route District Municipality | - | - | - | - | - | - | - | - | 4 000 | - | - | - | 2 843 | 2 973 | 3 106 | - | - | - | - | - | - |
| **Total: Garden Route Municipalities** | | **135 452** | **145 207** | **150 865** | **-** | **-** | **-** | **-** | **4 000** | **12 000** | **34 024** | **31 700** | **33 134** | **2 843** | **2 973** | **3 106** | **-** | **-** | **-** | **19 600** | **-** | **52 256** |
| B | WC051 Laingsburg | 17 024 | 7 212 | 7 320 | - | - | - | - | - | - | - | 3 000 | 3 136 | - | - | - | - | - | - | 19 891 | - | 16 800 |
| B | WC052 Prince Albert | 8 196 | 8 492 | 8 664 | - | - | - | - | 4 192 | - | - | 3 000 | 3 136 | - | - | - | - | - | - | - | - | - |
| B | WC053 Beaufort West | 23 046 | 17 294 | 17 894 | - | - | - | - | - | - | 9 000 | 5 000 | 5 226 | - | - | - | - | - | - | 35 000 | 33 171 | - |
| C | DC5 Central Karoo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 2 252 | 2 355 | 2 516 | - | - | - | - | - | - |
| **Total: Central Karoo Municipalities** | | **48 266** | **32 998** | **33 878** | **-** | **-** | **-** | **-** | **4 192** | **-** | **9 000** | **11 000** | **11 498** | **2 252** | **2 355** | **2 516** | **-** | **-** | **-** | **54 891** | **33 171** | **16 800** |
| **Total: Western Cape Municipalities** | | **486 428** | **486 758** | **505 503** | **-** | **-** | **-** | **20 000** | **21 692** | **34 616** | **159 447** | **155 973** | **163 026** | **14 322** | **14 977** | **15 704** | **490 000** | **225 000** | **-** | **205 264** | **170 719** | **148 050** |
| Unallocated | | - | 452 000 | 452 000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **National Total** | | **17 357 571** | **19 361 001** | **20 236 442** | **708 974** | **-** | **-** | **246 260** | **257 542** | **269 188** | **1 697 076** | **1 654 605** | **1 729 427** | **126 051** | **131 826** | **137 787** | **3 756 930** | **3 230 325** | **3 026 045** | **4 218 561** | **4 411 831** | **4 611 337** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2**

| Category | Municipality | Integrated Urban Development Grant | | | Neighbourhood Development Partnership Grant | | | Informal Settlements Upgrading Partnership Grant: Municipalities | | | Urban Settlements Development Grant | | | Public Transport Network Grant | | | Urban Development Financing Grant | | | SUB-TOTAL: INFRASTRUCTURE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A | BUF Buffalo City | - | - | - | - | - | - | 318 358 | 332 943 | 347 999 | 559 244 | 584 774 | 611 218 | - | - | - | 48 500 | 39 200 | 45 160 | 926 102 | 956 917 | 1 004 377 |
| A | NMA Nelson Mandela Bay | - | - | - | - | - | - | 377 887 | 395 200 | 413 071 | 663 817 | 694 121 | 725 509 | 298 225 | 305 631 | 324 803 | 48 800 | 38 606 | 44 537 | 1 785 729 | 1 442 058 | 1 516 920 |
| B | EC101 Dr Beyers Naude | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 62 814 | 73 206 | 76 540 |
| B | EC102 Blue Crane Route | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 65 560 | 45 651 | 47 389 |
| B | EC104 Makana | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 49 712 | 64 006 | 66 895 |
| B | EC105 Ndlambe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 64 865 | 67 094 | 70 137 |
| B | EC106 Sundays River Valley | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 52 727 | 63 656 | 70 530 |
| B | EC108 Kouga | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 53 243 | 61 996 | 60 266 |
| B | EC109 Kou-Kamma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 39 868 | 41 063 | 43 685 |
| C | DC10 Sarah Baartman District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 626 | 2 746 | 2 869 |
| **Total: Sarah Baartman Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **391 415** | **419 418** | **438 311** |
| B | EC121 Mbhashe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 114 711 | 93 574 | 97 873 |
| B | EC122 Mnquma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 100 192 | 97 194 | 101 489 |
| B | EC123 Great Kei | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 20 187 | 20 161 | 20 880 |
| B | EC124 Amahlathi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 76 308 | 48 270 | 50 169 |
| B | EC126 Ngqushwa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 67 574 | 40 159 | 42 341 |
| B | EC129 Raymond Mhlaba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 78 642 | 59 835 | 62 496 |
| C | DC12 Amathole District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 486 265 | 672 145 | 704 988 |
| **Total: Amathole Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **943 879** | **1 031 338** | **1 080 236** |
| B | EC131 Inxuba Yethemba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 32 434 | 30 426 | 31 635 |
| B | EC135 Intsika Yethu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 103 804 | 68 250 | 71 312 |
| B | EC136 Emalahleni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 103 245 | 59 206 | 61 809 |
| B | EC137 Dr. A.B. Xuma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 86 247 | 64 073 | 66 923 |
| B | EC138 Sakhisizwe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 71 124 | 30 144 | 31 351 |
| B | EC139 Enoch Mgijima | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 98 897 | 80 591 | 84 272 |
| C | DC13 Chris Hani District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 448 018 | 579 262 | 738 433 |
| **Total: Chris Hani Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **943 769** | **911 952** | **1 085 735** |
| B | EC141 Elundini | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 53 533 | 71 668 | 74 863 |
| B | EC142 Senqu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 47 132 | 56 011 | 58 496 |
| B | EC145 Walter Sisulu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 39 995 | 32 479 | 37 795 |
| C | DC14 Joe Gqabi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 340 217 | 438 428 | 478 852 |
| **Total: Joe Gqabi Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **480 877** | **598 586** | **650 006** |
| B | EC153 Ngquza Hill | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 79 048 | 81 536 | 85 261 |
| B | EC154 Port St Johns | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 82 549 | 63 329 | 66 123 |
| B | EC155 Nyandeni | - | - | - | 10 000 | 5 000 | 5 000 | - | - | - | - | - | - | - | - | - | - | - | - | 171 215 | 95 686 | 99 859 |
| B | EC156 Mhlontlo | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 98 814 | 69 378 | 72 499 |
| B | EC157 King Sabata Dalindyebo | - | - | - | 2 600 | 1 500 | 2 800 | - | - | - | - | - | - | - | - | - | - | - | - | 157 565 | 137 166 | 144 627 |
| C | DC15 O.R. Tambo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 102 925 | 1 104 413 | 957 030 |
| **Total: O.R. Tambo Municipalities** | | **-** | **-** | **-** | **12 600** | **6 500** | **7 800** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 692 116** | **1 551 508** | **1 425 399** |
| B | EC441 Matatiele | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 105 773 | 85 831 | 89 722 |
| B | EC442 Umzimvubu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 98 914 | 79 915 | 83 524 |
| B | EC443 Winnie Madikizela-Mandela | - | - | - | - | 1 000 | 1 000 | - | - | - | - | - | - | - | - | - | - | - | - | 89 053 | 80 591 | 84 195 |
| B | EC444 Ntabankulu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 75 666 | 47 981 | 50 043 |
| C | DC44 Alfred Nzo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 540 348 | 586 420 | 615 041 |
| **Total: Alfred Nzo Municipalities** | | **-** | **-** | **-** | **-** | **1 000** | **1 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **909 754** | **880 738** | **922 525** |
| **Total: Eastern Cape Municipalities** | | **-** | **-** | **-** | **12 600** | **7 500** | **8 800** | **696 245** | **728 143** | **761 070** | **1 223 061** | **1 278 895** | **1 336 727** | **298 225** | **305 631** | **324 803** | **97 300** | **77 806** | **89 697** | **8 073 641** | **7 792 515** | **8 123 509** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2**

| | | | Integrated Urban Development Grant | | | Neighbourhood Development Partnership Grant | | | Informal Settlements Upgrading Partnership Grant: Municipalities | | | Urban Settlements Development Grant | | | Public Transport Network Grant | | | Urban Development Financing Grant | | | SUB-TOTAL: INFRASTRUCTURE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **FREE STATE** | | | | | | | | | | | | | | | | | | | | | | | |
| A | MAN | Mangaung | - | - | - | - | - | - | 315 530 | 329 986 | 344 908 | 554 277 | 579 582 | 605 791 | 235 430 | 192 582 | 206 195 | 48 396 | 37 000 | 38 600 | 1 153 633 | 1 139 150 | 1 201 494 |
| B | FS161 | Letsemeng | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 192 | 53 465 | 50 749 |
| B | FS162 | Kopanong | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 52 047 | 53 560 | 53 945 |
| B | FS163 | Mohokare | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 51 865 | 46 635 | 48 687 |
| C | DC16 | Xhariep District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6 224 | 2 635 | 2 753 |
| **Total: Xhariep Municipalities** | | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **156 328** | **156 295** | **156 134** |
| B | FS181 | Masilonyana | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 43 114 | 64 238 | 61 903 |
| B | FS182 | Tokologo | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 43 043 | 52 322 | 48 650 |
| B | FS183 | Tswelopele | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 37 721 | 44 212 | 51 152 |
| B | FS184 | Matjhabeng | - | - | - | 100 | 1 500 | 1 600 | - | - | - | - | - | - | - | - | - | - | - | - | 148 301 | 204 067 | 218 010 |
| B | FS185 | Nala | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 67 525 | 69 515 | 69 543 |
| C | DC18 | Lejweleputswa District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 675 | 2 798 | 7 923 |
| **Total: Lejweleputswa Municipalities** | | | **-** | **-** | **-** | **100** | **1 500** | **1 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **342 379** | **437 152** | **457 181** |
| B | FS191 | Setsoto | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 259 885 | 292 724 | 336 733 |
| B | FS192 | Dihlabeng | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 59 770 | 79 112 | 79 860 |
| B | FS193 | Nketoana | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 43 286 | 57 884 | 60 484 |
| B | FS194 | Maluti-a-Phofung | - | - | - | 100 | 1 500 | 1 600 | - | - | - | - | - | - | - | - | - | - | - | - | 291 250 | 266 953 | 280 371 |
| B | FS195 | Phumelela | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 43 113 | 52 977 | 56 084 |
| B | FS196 | Mantsopa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35 991 | 41 309 | 42 093 |
| C | DC19 | Thabo Mofutsanyana District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7 820 | 7 949 | 9 653 |
| **Total: Thabo Mofutsanyana Municipalities** | | | **-** | **-** | **-** | **100** | **1 500** | **1 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **741 114** | **798 908** | **865 278** |
| B | FS201 | Moqhaka | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 54 344 | 73 269 | 76 744 |
| B | FS203 | Ngwathe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 124 820 | 168 316 | 141 173 |
| B | FS204 | Metsimaholo | - | - | - | 100 | 1 500 | 1 600 | - | - | - | - | - | - | - | - | - | - | - | - | 71 740 | 89 247 | 95 788 |
| B | FS205 | Mafube | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 37 420 | 54 606 | 56 131 |
| C | DC20 | Fezile Dabi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 565 | 2 683 | 2 803 |
| **Total: Fezile Dabi Municipalities** | | | **-** | **-** | **-** | **100** | **1 500** | **1 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **290 888** | **388 121** | **372 639** |
| **Total: Free State Municipalities** | | | **-** | **-** | **-** | **300** | **4 500** | **4 800** | **315 530** | **329 986** | **344 908** | **554 277** | **579 582** | **605 791** | **235 430** | **192 582** | **206 195** | **48 396** | **37 000** | **38 600** | **2 684 342** | **2 919 626** | **3 052 726** |
| **GAUTENG** | | | | | | | | | | | | | | | | | | | | | | | |
| A | EKU | City of Ekurhuleni | - | - | - | - | - | - | 822 706 | 860 398 | 899 306 | 1 445 207 | 1 511 183 | 1 579 519 | 649 286 | 658 120 | 695 791 | 182 011 | 120 819 | 124 200 | 3 106 210 | 3 159 020 | 3 307 816 |
| A | JHB | City of Johannesburg | - | - | - | - | - | - | 772 855 | 808 262 | 844 813 | 2 320 638 | 2 573 613 | 1 753 809 | 972 942 | 983 295 | 1 038 407 | 140 208 | 694 847 | 641 335 | 4 213 643 | 5 068 517 | 4 287 364 |
| A | TSH | City of Tshwane | - | - | - | - | - | - | 669 938 | 700 630 | 732 313 | 1 176 848 | 1 230 572 | 1 286 220 | 696 253 | 705 278 | 745 425 | 151 868 | 87 052 | 117 764 | 2 694 907 | 2 723 532 | 2 890 722 |
| B | GT421 | Emfuleni | - | - | - | 1 000 | 100 | 3 500 | - | - | - | - | - | - | - | - | - | - | - | - | 163 736 | 242 721 | 262 734 |
| B | GT422 | Midvaal | - | - | - | 1 000 | 10 000 | 2 000 | - | - | - | - | - | - | - | - | - | - | - | - | 100 145 | 120 191 | 134 649 |
| B | GT423 | Lesedi | - | - | - | 14 294 | 5 000 | 2 000 | - | - | - | - | - | - | - | - | - | - | - | - | 99 673 | 102 323 | 95 511 |
| C | DC42 | Sedibeng District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7 856 | 7 986 | 3 120 |
| **Total: Sedibeng Municipalities** | | | **-** | **-** | **-** | **16 294** | **15 100** | **7 500** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **371 410** | **473 221** | **496 014** |
| B | GT481 | Mogale City | 154 895 | 156 304 | 163 306 | 62 114 | 20 000 | 36 294 | - | - | - | - | - | - | - | - | - | - | - | - | 289 509 | 250 304 | 272 233 |
| B | GT484 | Merafong City | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 128 632 | 146 195 | 148 354 |
| B | GT485 | Rand West City | - | - | - | 12 600 | 10 500 | 5 600 | - | - | - | - | - | - | - | - | - | - | - | - | 219 211 | 217 989 | 237 032 |
| C | DC48 | West Rand District Municipality | - | - | - | 29 418 | 12 000 | 5 000 | - | - | - | - | - | - | - | - | - | - | - | - | 32 459 | 15 181 | 8 323 |
| **Total: West Rand Municipalities** | | | **154 895** | **156 304** | **163 306** | **104 132** | **42 500** | **46 894** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **669 811** | **629 669** | **665 942** |
| **Total: Gauteng Municipalities** | | | **154 895** | **156 304** | **163 306** | **120 426** | **57 600** | **54 394** | **2 265 499** | **2 369 290** | **2 476 432** | **4 942 693** | **5 315 368** | **4 619 548** | **2 318 481** | **2 346 693** | **2 479 623** | **474 087** | **902 718** | **883 299** | **11 055 981** | **12 053 959** | **11 647 858** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2**

| Category | Municipality | Integrated Urban Development Grant | | | Neighbourhood Development Partnership Grant | | | Informal Settlements Upgrading Partnership Grant: Municipalities | | | Urban Settlements Development Grant | | | Public Transport Network Grant | | | Urban Development Financing Grant | | | SUB-TOTAL: INFRASTRUCTURE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **KWAZULU-NATAL** | | | | | | | | | | | | | | | | | | | | | | |
| A | ETH eThekwini | - | - | - | - | - | - | 820 674 | 858 273 | 897 084 | 1 441 639 | 1 507 452 | 1 575 620 | 746 609 | 756 042 | 799 227 | 221 753 | 218 697 | 219 313 | 3 237 675 | 3 348 464 | 3 500 244 |
| B | KZN212 uMdoni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 41 779 | 51 319 | 49 369 |
| B | KZN213 uMzumbe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 56 051 | 53 959 | 56 328 |
| B | KZN214 uMuziwabantu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 41 078 | 36 131 | 37 636 |
| B | KZN216 Ray Nkonyeni | 89 404 | 81 376 | 85 022 | 14 900 | 31 500 | 20 732 | - | - | - | - | - | - | - | - | - | - | - | - | 109 304 | 119 876 | 118 070 |
| C | DC21 Ugu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 390 748 | 427 035 | 447 842 |
| **Total: Ugu Municipalities** | | **89 404** | **81 376** | **85 022** | **14 900** | **31 500** | **20 732** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **638 960** | **688 320** | **709 245** |
| B | KZN221 uMshwathi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 53 483 | 42 061 | 43 857 |
| B | KZN222 uMngeni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 92 147 | 44 838 | 46 736 |
| B | KZN223 Mpofana | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16 858 | 24 678 | 29 605 |
| B | KZN224 iMpendle | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 32 102 | 16 233 | 16 777 |
| B | KZN225 Msunduzi | - | - | - | 30 000 | 33 000 | 40 000 | - | - | - | - | - | - | 100 000 | 150 000 | 156 750 | - | - | - | 460 871 | 537 641 | 568 411 |
| B | KZN226 Mkhambathini | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 34 558 | 31 732 | 28 818 |
| B | KZN227 Richmond | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 21 915 | 29 686 | 30 874 |
| C | DC22 uMgungundlovu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 234 285 | 245 181 | 252 060 |
| **Total: uMgungundlovu Municipalities** | | **-** | **-** | **-** | **30 000** | **33 000** | **40 000** | **-** | **-** | **-** | **-** | **-** | **-** | **100 000** | **150 000** | **156 750** | **-** | **-** | **-** | **946 219** | **972 050** | **1 017 138** |
| B | KZN235 Okhahlamba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 52 493 | 48 032 | 50 102 |
| B | KZN237 iNkosi Langalibalele | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 105 | 59 908 | 66 565 |
| B | KZN238 Alfred Duma | 92 593 | 82 503 | 86 309 | 10 000 | 10 000 | 15 000 | - | - | - | - | - | - | - | - | - | - | - | - | 102 593 | 99 503 | 108 625 |
| C | DC23 uThukela District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 322 077 | 342 022 | 369 147 |
| **Total: uThukela Municipalities** | | **92 593** | **82 503** | **86 309** | **10 000** | **10 000** | **15 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **523 268** | **549 465** | **594 439** |
| B | KZN241 eNdumeni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 25 293 | 29 063 | 24 980 |
| B | KZN242 Nquthu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 57 961 | 56 010 | 58 456 |
| B | KZN244 uMsinga | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 73 207 | 65 556 | 68 467 |
| B | KZN245 uMvoti | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 36 217 | 46 104 | 48 095 |
| C | DC24 uMzinyathi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 317 796 | 347 189 | 364 069 |
| **Total: uMzinyathi Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **510 474** | **543 922** | **564 067** |
| B | KZN252 Newcastle | - | - | - | 22 194 | 15 000 | 23 000 | - | - | - | - | - | - | - | - | - | - | - | - | 283 284 | 268 693 | 293 837 |
| B | KZN253 eMadlangeni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 28 929 | 20 970 | 16 523 |
| B | KZN254 Dannhauser | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 26 095 | 30 846 | 37 104 |
| C | DC25 Amajuba District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 160 885 | 154 997 | 162 441 |
| **Total: Amajuba Municipalities** | | **-** | **-** | **-** | **22 194** | **15 000** | **23 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **499 193** | **475 506** | **509 905** |
| B | KZN261 eDumbe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 21 420 | 32 939 | 34 272 |
| B | KZN262 uPhongolo | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 45 728 | 43 041 | 44 885 |
| B | KZN263 AbaQulusi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 107 737 | 57 207 | 59 740 |
| B | KZN265 Nongoma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 38 805 | 46 932 | 48 971 |
| B | KZN266 Ulundi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 37 593 | 46 608 | 48 627 |
| C | DC26 Zululand District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 916 219 | 781 371 | 842 777 |
| **Total: Zululand Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 167 502** | **1 008 098** | **1 079 272** |
| B | KZN271 uMhlabuyalingana | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 59 883 | 56 115 | 58 586 |
| B | KZN272 Jozini | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 59 736 | 59 527 | 62 165 |
| B | KZN275 Inkosi uMtubatuba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 41 506 | 49 278 | 55 423 |
| B | KZN276 Big Five Hlabisa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 25 581 | 35 045 | 36 491 |
| C | DC27 uMkhanyakude District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 258 739 | 282 067 | 295 658 |
| **Total: uMkhanyakude Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **445 445** | **482 032** | **508 323** |
| B | KZN281 uMfolozi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 31 703 | 43 286 | 45 130 |
| B | KZN282 uMhlathuze | 156 505 | 142 460 | 148 842 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 235 184 | 232 667 | 238 284 |
| B | KZN284 uMlalazi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 51 228 | 58 843 | 61 467 |
| B | KZN285 Mthonjaneni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 34 879 | 29 149 | 30 311 |
| B | KZN286 Nkandla | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 44 287 | 38 625 | 44 241 |
| C | DC28 King Cetshwayo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 484 914 | 459 420 | 564 963 |
| **Total: King Cetshwayo Municipalities** | | **156 505** | **142 460** | **148 842** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **882 195** | **861 990** | **984 396** |
| B | KZN291 Mandeni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 48 228 | 55 873 | 58 335 |
| B | KZN292 KwaDukuza | - | - | - | 2 100 | 2 500 | 1 600 | - | - | - | - | - | - | - | - | - | - | - | - | 65 925 | 81 110 | 83 788 |
| B | KZN293 Ndwedwe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 208 | 46 906 | 48 933 |
| B | KZN294 Maphumulo | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 43 887 | 38 146 | 39 737 |
| C | DC29 iLembe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 332 210 | 358 104 | 376 025 |
| **Total: iLembe Municipalities** | | **-** | **-** | **-** | **2 100** | **2 500** | **1 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **536 458** | **580 139** | **606 818** |
| B | KZN433 Greater Kokstad | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 33 911 | 28 198 | 29 313 |
| B | KZN434 Johannes Phumani Phungula | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 47 253 | 42 127 | 43 922 |
| B | KZN435 uMzimkhulu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 53 278 | 62 743 | 65 559 |
| B | KZN436 Dr Nkosazana Dlamini Zuma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 38 868 | 40 446 | 42 167 |
| C | DC43 Harry Gwala District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 341 616 | 378 383 | 396 808 |
| **Total: Harry Gwala Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **514 926** | **551 897** | **577 769** |
| **Total: KwaZulu-Natal Municipalities** | | **338 502** | **306 339** | **320 173** | **79 194** | **92 000** | **100 332** | **820 674** | **858 273** | **897 084** | **1 441 639** | **1 507 452** | **1 575 620** | **846 609** | **906 042** | **955 977** | **221 753** | **218 697** | **219 313** | **9 902 315** | **10 061 883** | **10 651 616** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2**

| | | Integrated Urban Development Grant | | | Neighbourhood Development Partnership Grant | | | Informal Settlements Upgrading Partnership Grant: Municipalities | | | Urban Settlements Development Grant | | | Public Transport Network Grant | | | Urban Development Financing Grant | | | SUB-TOTAL: INFRASTRUCTURE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **LIMPOPO** | | | | | | | | | | | | | | | | | | | | | | |
| B | LIM331 Greater Giyani | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 96 084 | 100 540 | 109 157 |
| B | LIM332 Greater Letaba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 98 264 | 86 307 | 90 265 |
| B | LIM333 Greater Tzaneen | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 132 844 | 141 697 | 143 129 |
| B | LIM334 Ba-Phalaborwa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 44 890 | 55 184 | 52 372 |
| B | LIM335 Maruleng | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 37 810 | 34 977 | 36 449 |
| C | DC33 Mopani District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 546 509 | 596 480 | 625 511 |
| **Total: Mopani Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **956 401** | **1 015 185** | **1 056 883** |
| B | LIM341 Musina | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35 242 | 47 384 | 49 428 |
| B | LIM343 Thulamela | - | - | - | 2 100 | 5 500 | 10 600 | - | - | - | - | - | - | - | - | - | - | - | - | 151 532 | 157 694 | 164 728 |
| B | LIM344 Makhado | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 132 594 | 131 250 | 137 410 |
| B | LIM345 Collins Chabane | - | - | - | - | - | 1 000 | - | - | - | - | - | - | - | - | - | - | - | - | 111 521 | 120 373 | 131 000 |
| C | DC34 Vhembe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 701 203 | 768 396 | 798 453 |
| **Total: Vhembe Municipalities** | | **-** | **-** | **-** | **2 100** | **5 500** | **11 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 132 092** | **1 225 097** | **1 281 019** |
| B | LIM351 Blouberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 70 241 | 75 105 | 78 484 |
| B | LIM353 Molemole | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 68 900 | 53 438 | 55 789 |
| B | LIM354 Polokwane | 433 487 | 454 557 | 474 921 | 44 320 | 44 500 | 40 000 | - | - | - | - | - | - | 189 331 | 196 295 | 209 729 | - | - | - | 907 167 | 1 032 883 | 1 044 975 |
| B | LIM355 Lepele-Nkumpi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 66 752 | 79 464 | 83 093 |
| C | DC35 Capricorn District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 433 749 | 443 960 | 467 378 |
| **Total: Capricorn Municipalities** | | **433 487** | **454 557** | **474 921** | **44 320** | **44 500** | **40 000** | **-** | **-** | **-** | **-** | **-** | **-** | **189 331** | **196 295** | **209 729** | **-** | **-** | **-** | **1 546 809** | **1 684 850** | **1 729 719** |
| B | LIM361 Thabazimbi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 49 780 | 58 910 | 61 495 |
| B | LIM362 Lephalale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 56 566 | 68 178 | 76 237 |
| B | LIM366 Bela-Bela | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 141 833 | 139 267 | 137 033 |
| B | LIM367 Mogalakwena | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 280 100 | 304 112 | 306 256 |
| B | LIM368 Modimolle-Mookgophong | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 62 449 | 66 283 | 64 004 |
| C | DC36 Waterberg District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 500 | 2 614 | 2 732 |
| **Total: Waterberg Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **593 228** | **639 364** | **647 757** |
| B | LIM471 Ephraim Mogale | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 47 211 | 44 097 | 46 016 |
| B | LIM472 Elias Motsoaledi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 92 090 | 78 600 | 86 195 |
| B | LIM473 Makhuduthamaga | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 82 289 | 97 827 | 102 329 |
| B | LIM476 Fetakgomo Tubatse | - | - | - | 42 600 | 41 000 | 41 000 | - | - | - | - | - | - | - | - | - | - | - | - | 185 344 | 186 253 | 188 838 |
| C | DC47 Sekhukhune District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 428 628 | 623 697 | 654 064 |
| **Total: Sekhukhune Municipalities** | | **-** | **-** | **-** | **42 600** | **41 000** | **41 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **835 562** | **1 030 474** | **1 077 442** |
| **Total: Limpopo Municipalities** | | **433 487** | **454 557** | **474 921** | **89 020** | **91 000** | **92 600** | **-** | **-** | **-** | **-** | **-** | **-** | **189 331** | **196 295** | **209 729** | **-** | **-** | **-** | **5 064 091** | **5 594 970** | **5 792 820** |
| **MPUMALANGA** | | | | | | | | | | | | | | | | | | | | | | |
| B | MP301 Chief Albert Luthuli | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 430 354 | 443 814 | 453 603 |
| B | MP302 Msukaligwa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 165 272 | 259 359 | 281 289 |
| B | MP303 Mkhondo | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 148 622 | 123 677 | 124 789 |
| B | MP304 Dr Pixley ka Isaka Seme | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 70 454 | 86 914 | 85 692 |
| B | MP305 Lekwa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 40 012 | 51 155 | 49 186 |
| B | MP306 Dipaleseng | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16 528 | 33 366 | 34 721 |
| B | MP307 Govan Mbeki | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 110 975 | 94 078 | 102 385 |
| C | DC30 Gert Sibande District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 17 713 | 2 838 | 2 965 |
| **Total: Gert Sibande Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **999 930** | **1 095 201** | **1 134 630** |
| B | MP311 Victor Khanye | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 29 618 | 41 566 | 43 323 |
| B | MP312 Emalahleni | - | - | - | 6 000 | 7 000 | 7 000 | - | - | - | - | - | - | - | - | - | - | - | - | 228 517 | 235 727 | 251 144 |
| B | MP313 Steve Tshwete | 71 088 | 65 408 | 68 338 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 92 088 | 135 172 | 148 543 |
| B | MP314 Emakhazeni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 60 387 | 77 168 | 76 113 |
| B | MP315 Thembisile Hani | - | - | - | - | - | 1 000 | - | - | - | - | - | - | - | - | - | - | - | - | 346 032 | 238 636 | 246 975 |
| B | MP316 Dr JS Moroka | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 171 644 | 165 399 | 173 275 |
| C | DC31 Nkangala District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 7 556 | 7 673 | 7 793 |
| **Total: Nkangala Municipalities** | | **71 088** | **65 408** | **68 338** | **6 000** | **7 000** | **8 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **935 842** | **901 341** | **947 166** |
| B | MP321 Thaba Chweu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 127 047 | 160 538 | 166 446 |
| B | MP324 Nkomazi | - | - | - | 100 | 2 500 | 1 600 | - | - | - | - | - | - | - | - | - | - | - | - | 381 215 | 356 390 | 392 747 |
| B | MP325 Bushbuckridge | - | - | - | 23 428 | 5 500 | 2 600 | - | - | - | - | - | - | - | - | - | - | - | - | 537 283 | 601 805 | 619 659 |
| B | MP326 City of Mbombela | - | - | - | 30 000 | 27 781 | 28 903 | - | - | - | - | - | - | - | - | - | - | - | - | 489 089 | 502 404 | 526 239 |
| C | DC32 Ehlanzeni District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 757 | 2 883 | 3 012 |
| **Total: Ehlanzeni Municipalities** | | **-** | **-** | **-** | **53 528** | **35 781** | **33 103** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 537 391** | **1 624 020** | **1 708 103** |
| **Total: Mpumalanga Municipalities** | | **71 088** | **65 408** | **68 338** | **59 528** | **42 781** | **41 103** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **3 473 163** | **3 620 562** | **3 789 899** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2**

| | | Integrated Urban Development Grant | | | Neighbourhood Development Partnership Grant | | | Informal Settlements Upgrading Partnership Grant: Municipalities | | | Urban Settlements Development Grant | | | Public Transport Network Grant | | | Urban Development Financing Grant | | | SUB-TOTAL: INFRASTRUCTURE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTHERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| B | NC061 Richtersveld | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16 904 | 9 364 | 28 676 |
| B | NC062 Nama Khoi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 22 696 | 39 329 | 50 278 |
| B | NC064 Kamiesberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 8 179 | 9 546 | 9 764 |
| B | NC065 Hantam | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 21 929 | 34 321 | 40 765 |
| B | NC066 Karoo Hoogland | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 40 347 | 10 902 | 11 185 |
| B | NC067 Khâi-Ma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 19 447 | 37 674 | 10 945 |
| C | DC6 Namakwa District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 404 | 3 560 | 3 719 |
| **Total: Namakwa Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **132 906** | **144 696** | **155 332** |
| B | NC071 Ubuntu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35 779 | 30 490 | 19 991 |
| B | NC072 Umsobomvu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 38 087 | 15 027 | 30 515 |
| B | NC073 Emthanjeni | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 38 737 | 47 249 | 29 591 |
| B | NC074 Kareeberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 10 269 | 11 617 | 21 932 |
| B | NC075 Renosterberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 18 492 | 21 690 | 9 915 |
| B | NC076 Thembelihle | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 16 382 | 12 231 | 27 581 |
| B | NC077 Siyathemba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 33 013 | 30 848 | 15 319 |
| B | NC078 Siyancuma | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 30 287 | 37 608 | 39 951 |
| C | DC7 Pixley Ka Seme District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 529 | 3 691 | 3 856 |
| **Total: Pixley Ka Seme Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **224 575** | **210 451** | **198 651** |
| B | NC082 !Kai !Garib | - | - | - | 1 000 | 1 000 | 2 500 | - | - | - | - | - | - | - | - | - | - | - | - | 46 272 | 38 227 | 38 140 |
| B | NC084 !Kheis | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 21 979 | 23 697 | 14 119 |
| B | NC085 Tsantsabane | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 32 086 | 38 118 | 27 127 |
| B | NC086 Kgatelopele | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 28 812 | 11 165 | 11 459 |
| B | NC087 Dawid Kruiper | - | - | - | 28 355 | 14 000 | 15 000 | - | - | - | - | - | - | - | - | - | - | - | - | 100 581 | 71 866 | 75 458 |
| C | DC8 Z.F. Mgcawu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 361 | 3 515 | 3 673 |
| **Total: Z.F. Mgcawu Municipalities** | | **-** | **-** | **-** | **29 355** | **15 000** | **17 500** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **233 091** | **186 588** | **169 976** |
| B | NC091 Sol Plaatjie | 78 371 | 65 513 | 68 448 | 100 | 1 500 | 1 600 | - | - | - | - | - | - | - | - | - | - | - | - | 686 471 | 665 013 | 574 681 |
| B | NC092 Dikgatlong | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 463 | 33 692 | 30 885 |
| B | NC093 Magareng | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 22 641 | 28 434 | 35 691 |
| B | NC094 Phokwane | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 63 427 | 81 645 | 90 664 |
| C | DC9 Frances Baard District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6 955 | 8 091 | 8 229 |
| **Total: Frances Baard Municipalities** | | **78 371** | **65 513** | **68 448** | **100** | **1 500** | **1 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **825 957** | **816 875** | **740 150** |
| B | NC451 Joe Morolong | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 122 124 | 129 526 | 146 682 |
| B | NC452 Ga-Segonyana | - | - | - | 30 000 | 31 000 | 29 000 | - | - | - | - | - | - | - | - | - | - | - | - | 142 553 | 144 516 | 176 816 |
| B | NC453 Gamagara | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 23 951 | 51 351 | 56 752 |
| C | DC45 John Taolo Gaetsewe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 325 | 2 432 | 2 541 |
| **Total: John Taolo Gaetsewe Municipalities** | | **-** | **-** | **-** | **30 000** | **31 000** | **29 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **290 953** | **327 825** | **382 791** |
| **Total: Northern Cape Municipalities** | | **78 371** | **65 513** | **68 448** | **59 455** | **47 500** | **48 100** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 707 481** | **1 686 435** | **1 646 900** |
| **NORTH WEST** | | | | | | | | | | | | | | | | | | | | | | |
| B | NW371 Moretele | - | - | - | - | - | 1 000 | - | - | - | - | - | - | - | - | - | - | - | - | 186 069 | 201 896 | 209 108 |
| B | NW372 Madibeng | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 381 906 | 394 000 | 413 026 |
| B | NW373 Rustenburg | - | - | - | 15 379 | 6 000 | 13 000 | - | - | - | - | - | - | 225 211 | 232 320 | 247 645 | - | - | - | 597 509 | 619 877 | 664 597 |
| B | NW374 Kgetlengrivier | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 30 715 | 38 094 | 34 473 |
| B | NW375 Moses Kotane | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 232 068 | 250 690 | 264 296 |
| C | DC37 Bojanala Platinum District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 772 | 2 899 | 3 029 |
| **Total: Bojanala Platinum Municipalities** | | **-** | **-** | **-** | **15 379** | **6 000** | **14 000** | **-** | **-** | **-** | **-** | **-** | **-** | **225 211** | **232 320** | **247 645** | **-** | **-** | **-** | **1 431 039** | **1 507 456** | **1 588 529** |
| B | NW381 Ratlou | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35 691 | 38 531 | 40 177 |
| B | NW382 Tswaing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35 544 | 42 869 | 44 711 |
| B | NW383 Mafikeng | - | - | - | 10 100 | 5 500 | 10 300 | - | - | - | - | - | - | - | - | - | - | - | - | 120 951 | 92 905 | 102 506 |
| B | NW384 Ditsobotla | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 44 709 | 51 363 | 53 628 |
| B | NW385 Ramotshere Moiloa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 45 461 | 53 974 | 56 360 |
| C | DC38 Ngaka Modiri Molema District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 361 503 | 394 343 | 413 447 |
| **Total: Ngaka Modiri Molema Municipalities** | | **-** | **-** | **-** | **10 100** | **5 500** | **10 300** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **643 859** | **673 985** | **710 829** |
| B | NW392 Naledi | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 63 850 | 33 495 | 34 847 |
| B | NW393 Mamusa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 22 598 | 30 564 | 35 777 |
| B | NW394 Greater Taung | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 63 596 | 63 554 | 66 429 |
| B | NW396 Lekwa-Teemane | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 21 346 | 18 488 | 23 151 |
| B | NW397 Kagisano-Molopo | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 39 531 | 39 448 | 41 140 |
| C | DC39 Dr Ruth Segomotsi Mompati District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 748 892 | 708 171 | 720 471 |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **959 813** | **893 720** | **921 815** |
| B | NW403 City of Matlosana | - | - | - | 20 395 | 36 000 | 27 000 | - | - | - | - | - | - | - | - | - | - | - | - | 228 399 | 242 324 | 238 289 |
| B | NW404 Maquassi Hills | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 103 772 | 119 433 | 112 926 |
| B | NW405 JB Marks | - | - | - | 10 000 | 10 000 | 20 000 | - | - | - | - | - | - | - | - | - | - | - | - | 168 364 | 177 402 | 199 135 |
| C | DC40 Dr Kenneth Kaunda District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 6 884 | 7 016 | 3 152 |
| **Total: Dr Kenneth Kaunda Municipalities** | | **-** | **-** | **-** | **30 395** | **46 000** | **47 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **507 419** | **546 175** | **553 502** |
| **Total: North West Municipalities** | | **-** | **-** | **-** | **55 874** | **57 500** | **71 300** | **-** | **-** | **-** | **-** | **-** | **-** | **225 211** | **232 320** | **247 645** | **-** | **-** | **-** | **3 542 130** | **3 621 336** | **3 774 675** |

**ANNEXURE W5**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**
**(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2**

| Category | Municipality | Integrated Urban Development Grant | | | Neighbourhood Development Partnership Grant | | | Informal Settlements Upgrading Partnership Grant: Municipalities | | | Urban Settlements Development Grant | | | Public Transport Network Grant | | | Urban Development Financing Grant | | | SUB-TOTAL: INFRASTRUCTURE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **WESTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A | CPT City of Cape Town | - | - | - | - | - | - | 619 527 | 647 910 | 677 209 | 1 088 294 | 1 137 976 | 1 189 436 | 2 877 487 | 2 941 998 | 1 575 331 | 182 100 | 129 200 | 112 191 | 4 774 408 | 4 865 584 | 3 563 167 |
| B | WC011 Matzikama | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 49 260 | 68 546 | 64 893 |
| B | WC012 Cederberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 28 663 | 52 129 | 72 624 |
| B | WC013 Bergrivier | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 27 212 | 20 994 | 26 768 |
| B | WC014 Saldanha Bay | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 23 099 | 33 716 | 35 091 |
| B | WC015 Swartland | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 63 771 | 48 161 | 50 199 |
| C | DC1 West Coast District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 967 | 3 103 | 3 242 |
| **Total: West Coast Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **194 972** | **226 649** | **252 817** |
| B | WC022 Witzenberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 30 770 | 29 379 | 35 191 |
| B | WC023 Drakenstein | 63 737 | 45 743 | 47 792 | 39 500 | 2 000 | 15 600 | - | - | - | - | - | - | - | - | - | - | - | - | 605 377 | 284 667 | 75 855 |
| B | WC024 Stellenbosch | 64 530 | 46 603 | 48 691 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 75 718 | 61 546 | 59 083 |
| B | WC025 Breede Valley | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 77 246 | 92 558 | 72 316 |
| B | WC026 Langeberg | - | - | - | 4 000 | 11 000 | 2 000 | - | - | - | - | - | - | - | - | - | - | - | - | 58 234 | 42 645 | 34 940 |
| C | DC2 Cape Winelands District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 153 | 3 297 | 3 445 |
| **Total: Cape Winelands Municipalities** | | **128 267** | **92 346** | **96 483** | **43 500** | **13 000** | **17 600** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **850 498** | **514 092** | **280 830** |
| B | WC031 Theewaterskloof | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 31 668 | 40 135 | 41 837 |
| B | WC032 Overstrand | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 76 417 | 64 043 | 39 375 |
| B | WC033 Cape Agulhas | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 12 484 | 15 177 | 15 668 |
| B | WC034 Swellendam | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 64 754 | 41 024 | 22 007 |
| C | DC3 Overberg District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 107 | 3 249 | 3 395 |
| **Total: Overberg Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **188 430** | **163 628** | **122 282** |
| B | WC041 Kannaland | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 14 956 | 12 849 | 49 982 |
| B | WC042 Hessequa | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 15 812 | 19 812 | 24 528 |
| B | WC043 Mossel Bay | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 41 214 | 35 969 | 37 470 |
| B | WC044 George | 73 504 | 52 439 | 54 788 | 7 500 | 9 457 | 5 600 | - | - | - | - | - | - | 250 300 | 139 185 | 149 622 | - | - | - | 335 004 | 205 081 | 214 191 |
| B | WC045 Oudtshoorn | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 39 503 | 36 676 | 38 016 |
| B | WC047 Bitou | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 27 126 | 30 545 | 31 780 |
| B | WC048 Knysna | - | - | - | 15 000 | 7 339 | 5 000 | - | - | - | - | - | - | - | - | - | - | - | - | 61 765 | 48 395 | 63 298 |
| C | DC4 Garden Route District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 843 | 2 973 | 7 106 |
| **Total: Garden Route Municipalities** | | **73 504** | **52 439** | **54 788** | **22 500** | **16 796** | **10 600** | **-** | **-** | **-** | **-** | **-** | **-** | **250 300** | **139 185** | **149 622** | **-** | **-** | **-** | **538 223** | **392 300** | **466 371** |
| B | WC051 Laingsburg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 36 915 | 10 212 | 27 256 |
| B | WC052 Prince Albert | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 8 196 | 15 684 | 11 800 |
| B | WC053 Beaufort West | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 67 046 | 55 465 | 23 120 |
| C | DC5 Central Karoo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2 252 | 2 355 | 2 516 |
| **Total: Central Karoo Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **114 409** | **83 716** | **64 692** |
| **Total: Western Cape Municipalities** | | **201 771** | **144 785** | **151 271** | **66 000** | **29 796** | **28 200** | **619 527** | **647 910** | **677 209** | **1 088 294** | **1 137 976** | **1 189 436** | **3 127 787** | **3 081 183** | **1 724 953** | **182 100** | **129 200** | **112 191** | **6 660 940** | **6 245 969** | **4 750 159** |
| Unallocated | | - | 193 441 | 202 657 | - | - | - | - | - | - | - | - | - | - | 783 535 | 949 928 | - | - | - | - | 1 428 976 | 1 604 585 |
| **National Total** | | **1 278 114** | **1 386 347** | **1 449 114** | **542 397** | **430 177** | **449 629** | **4 717 475** | **4 933 602** | **5 156 703** | **9 249 964** | **9 819 273** | **9 327 122** | **7 241 074** | **8 044 281** | **7 098 853** | **1 023 636** | **1 365 421** | **1 343 100** | **52 164 083** | **55 026 231** | **54 834 747** |

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

**(National and Municipal Financial Years)**

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

| Category | Municipality | Municipal Infrastructure Grant | | | Smart Meters Grant | | | Integrated National Electrification Programme (Eskom) Grant | | | Neighbourhood Development Partnership Grant (Technical Assistance) | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | | SUB-TOTAL: INDIRECT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A BUF | Buffalo City | - | - | - | - | - | - | 34 240 | 52 517 | 34 164 | 3 000 | 3 630 | 3 000 | - | - | - | - | - | - | 37 240 | 56 147 | 37 164 |
| A NMA | Nelson Mandela Bay | - | - | - | - | - | - | - | - | - | 4 000 | 5 000 | 5 000 | - | - | - | - | - | - | 4 000 | 5 000 | 5 000 |
| B EC101 | Dr Beyers Naude | - | - | - | - | - | - | 326 | 5 280 | 6 572 | - | - | - | - | - | - | - | - | - | 326 | 5 280 | 6 572 |
| B EC102 | Blue Crane Route | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B EC104 | Makana | - | - | - | - | - | - | 8 067 | 241 | 5 250 | - | - | - | 50 000 | 33 000 | 34 650 | 45 000 | 45 000 | 47 000 | 103 067 | 78 241 | 86 900 |
| B EC105 | Ndlambe | - | - | - | - | - | - | 11 659 | 4 317 | 5 250 | - | - | - | 42 000 | 33 000 | 34 650 | - | - | - | 53 659 | 37 317 | 39 900 |
| B EC106 | Sundays River Valley | - | - | - | - | - | - | 821 | 8 785 | 4 893 | - | - | - | 6 000 | - | - | - | - | - | 6 821 | 8 785 | 4 893 |
| B EC108 | Kouga | - | - | - | - | - | - | 459 | 4 439 | 4 489 | - | - | - | - | - | - | - | - | - | 459 | 4 439 | 4 489 |
| B EC109 | Kou-Kamma | - | - | - | - | - | - | 459 | 211 | 6 844 | - | - | - | 310 | - | - | - | - | - | 769 | 211 | 6 844 |
| C DC10 | Sarah Baartman District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Sarah Baartman Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **21 791** | **23 273** | **33 298** | **-** | **-** | **-** | **98 310** | **66 000** | **69 300** | **45 000** | **45 000** | **47 000** | **165 101** | **134 273** | **149 598** |
| B EC121 | Mbhashe | - | - | - | - | - | - | 29 724 | 53 059 | 42 110 | - | - | - | - | - | - | - | - | - | 29 724 | 53 059 | 42 110 |
| B EC122 | Mnquma | - | - | - | - | - | - | 2 058 | 46 681 | 11 896 | - | - | - | - | - | - | - | - | - | 2 058 | 46 681 | 11 896 |
| B EC123 | Great Kei | - | - | - | - | - | - | 11 322 | 6 221 | 9 984 | - | - | - | - | - | - | - | - | - | 11 322 | 6 221 | 9 984 |
| B EC124 | Amahlathi | - | - | - | 47 000 | - | - | 19 622 | 74 781 | 11 317 | - | - | - | - | - | - | - | - | - | 66 622 | 74 781 | 11 317 |
| B EC126 | Ngqushwa | - | - | - | - | - | - | 9 660 | 3 206 | 7 632 | - | - | - | - | - | - | - | - | - | 9 660 | 3 206 | 7 632 |
| B EC129 | Raymond Mhlaba | - | - | - | 47 000 | - | - | 23 980 | 30 988 | 24 099 | - | - | - | - | - | - | - | - | - | 70 980 | 30 988 | 24 099 |
| C DC12 | Amathole District Municipality | 128 469 | - | - | - | - | - | - | - | - | - | - | - | 89 000 | 100 401 | 105 421 | - | - | - | 217 469 | 100 401 | 105 421 |
| **Total: Amathole Municipalities** | | **128 469** | **-** | **-** | **94 000** | **-** | **-** | **96 366** | **214 936** | **107 038** | **-** | **-** | **-** | **89 000** | **100 401** | **105 421** | **-** | **-** | **-** | **407 835** | **315 337** | **212 459** |
| B EC131 | Inxuba Yethemba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B EC135 | Intsika Yethu | - | - | - | - | - | - | 18 262 | 20 419 | 25 959 | - | - | - | - | - | - | - | - | - | 18 262 | 20 419 | 25 959 |
| B EC136 | Emalahleni | - | - | - | - | - | - | 13 841 | 3 741 | 15 366 | - | - | - | - | - | - | - | - | - | 13 841 | 3 741 | 15 366 |
| B EC137 | Dr. A.B. Xuma | - | - | - | - | - | - | 31 507 | 9 530 | 12 580 | - | - | - | - | - | - | - | - | - | 31 507 | 9 530 | 12 580 |
| B EC138 | Sakhisizwe | - | - | - | - | - | - | 24 438 | 5 299 | 14 882 | - | - | - | - | - | - | - | - | - | 24 438 | 5 299 | 14 882 |
| B EC139 | Enoch Mgijima | - | - | - | 47 000 | - | - | 33 580 | 14 472 | 34 901 | - | - | - | - | - | - | - | - | - | 80 580 | 14 472 | 34 901 |
| C DC13 | Chris Hani District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Chris Hani Municipalities** | | **-** | **-** | **-** | **47 000** | **-** | **-** | **121 628** | **53 461** | **103 688** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **168 628** | **53 461** | **103 688** |
| B EC141 | Elundini | - | - | - | - | - | - | 22 204 | 8 694 | 34 797 | - | - | - | - | - | - | - | - | - | 22 204 | 8 694 | 34 797 |
| B EC142 | Senqu | - | - | - | - | - | - | 13 766 | 12 325 | 13 639 | - | - | - | - | - | - | - | - | - | 13 766 | 12 325 | 13 639 |
| B EC145 | Walter Sisulu | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C DC14 | Joe Gqabi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Joe Gqabi Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **35 970** | **21 019** | **48 436** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **35 970** | **21 019** | **48 436** |
| B EC153 | Ngquza Hill | - | - | - | - | - | - | 27 713 | 14 896 | 24 033 | - | - | - | - | - | - | - | - | - | 27 713 | 14 896 | 24 033 |
| B EC154 | Port St Johns | - | - | - | - | - | - | 909 | 5 850 | 15 287 | - | - | - | - | - | - | - | - | - | 909 | 5 850 | 15 287 |
| B EC155 | Nyandeni | - | - | - | - | - | - | 14 116 | 31 139 | 109 730 | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 15 116 | 32 139 | 110 730 |
| B EC156 | Mhlontlo | - | - | - | - | - | - | 26 888 | 49 912 | 11 710 | - | - | - | - | - | - | - | - | - | 26 888 | 49 912 | 11 710 |
| B EC157 | King Sabata Dalindyebo | - | - | - | - | - | - | 34 027 | 21 475 | 28 346 | 100 | 1 000 | 1 000 | - | - | - | - | - | - | 34 127 | 22 475 | 29 346 |
| C DC15 | O.R. Tambo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: O.R. Tambo Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **103 653** | **123 272** | **189 106** | **1 100** | **2 000** | **2 000** | **-** | **-** | **-** | **-** | **-** | **-** | **104 753** | **125 272** | **191 106** |
| B EC441 | Matatiele | - | - | - | - | - | - | 1 835 | 19 513 | 17 992 | - | - | - | - | - | - | - | - | - | 1 835 | 19 513 | 17 992 |
| B EC442 | Umzimvubu | - | - | - | - | - | - | 39 067 | 20 900 | 26 439 | - | - | - | - | - | - | - | - | - | 39 067 | 20 900 | 26 439 |
| B EC443 | Winnie Madikizela-Mandela | - | - | - | - | - | - | 59 880 | 32 429 | 24 831 | 1 500 | 1 000 | 1 000 | - | - | - | - | - | - | 61 380 | 33 429 | 25 831 |
| B EC444 | Ntabankulu | - | - | - | - | - | - | 732 | 4 589 | 9 212 | - | - | - | - | - | - | - | - | - | 732 | 4 589 | 9 212 |
| C DC44 | Alfred Nzo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 113 606 | 135 028 | 173 279 | - | - | - | 113 606 | 135 028 | 173 279 |
| **Total: Alfred Nzo Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **101 514** | **77 431** | **78 474** | **1 500** | **1 000** | **1 000** | **113 606** | **135 028** | **173 279** | **-** | **-** | **-** | **216 620** | **213 459** | **252 753** |
| **Total: Eastern Cape Municipalities** | | **128 469** | **-** | **-** | **141 000** | **-** | **-** | **515 162** | **565 909** | **594 204** | **9 600** | **11 630** | **11 000** | **300 916** | **301 429** | **348 000** | **45 000** | **45 000** | **47 000** | **1 140 147** | **923 968** | **1 000 204** |

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

| Category | Municipality | Municipal Infrastructure Grant | | | Smart Meters Grant | | | Integrated National Electrification Programme (Eskom) Grant | | | Neighbourhood Development Partnership Grant (Technical Assistance) | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | | SUB-TOTAL: INDIRECT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| **FREE STATE** | | | | | | | | | | | | | | | | | | | | | | |
| A MAN | Mangaung | - | - | - | - | - | - | 5 682 | 471 | 1 075 | 1 840 | 3 000 | 3 000 | - | - | - | - | - | - | 7 522 | 3 471 | 4 075 |
| B FS161 | Letsemeng | 5 009 | - | - | - | - | - | 65 | 65 | 65 | - | - | - | - | - | - | - | - | - | 5 074 | 65 | 65 |
| B FS162 | Kopanong | - | - | - | - | - | - | 33 | 32 | 33 | - | - | - | - | - | - | 10 000 | 8 000 | 8 500 | 10 033 | 8 032 | 8 533 |
| B FS163 | Mohokare | 5 277 | - | - | - | - | - | 33 | 33 | 33 | - | - | - | 15 000 | - | - | 10 000 | 5 000 | 8 500 | 30 310 | 5 033 | 8 533 |
| C DC16 | Xhariep District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Xhariep Municipalities** | | **10 286** | **-** | **-** | **-** | **-** | **-** | **131** | **130** | **131** | **-** | **-** | **-** | **15 000** | **-** | **-** | **20 000** | **13 000** | **17 000** | **45 417** | **13 130** | **17 131** |
| B FS181 | Masilonyana | 6 944 | - | - | - | - | - | 33 | 33 | 33 | - | - | - | 44 000 | 52 300 | 54 915 | - | - | - | 50 977 | 52 333 | 54 948 |
| B FS182 | Tokologo | - | - | - | - | - | - | 33 | 33 | 214 | - | - | - | 55 148 | 62 760 | 65 898 | - | - | - | 55 181 | 62 793 | 66 112 |
| B FS183 | Tswelopele | - | - | - | - | - | - | 247 | 65 | 65 | - | - | - | - | - | - | - | - | - | 247 | 65 | 65 |
| B FS184 | Matjhabeng | 36 522 | - | - | - | - | - | 4 538 | 2 679 | 1 723 | 1 500 | 1 500 | 1 500 | 323 629 | 184 699 | 193 934 | - | - | - | 366 189 | 188 878 | 197 157 |
| B FS185 | Nala | - | - | - | - | - | - | 49 | 49 | 49 | - | - | - | - | - | - | - | - | - | 49 | 49 | 49 |
| C DC18 | Lejweleputswa District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Lejweleputswa Municipalities** | | **43 466** | **-** | **-** | **-** | **-** | **-** | **4 900** | **2 859** | **2 084** | **1 500** | **1 500** | **1 500** | **422 777** | **299 759** | **314 747** | **-** | **-** | **-** | **472 643** | **304 118** | **318 331** |
| B FS191 | Setsoto | - | - | - | - | - | - | 4 247 | 263 | 1 567 | - | - | - | 45 472 | - | - | 41 833 | 39 833 | - | 91 552 | 40 096 | 1 567 |
| B FS192 | Dihlabeng | 11 656 | - | - | - | - | - | 1 226 | 263 | 15 996 | - | - | - | 60 000 | 60 000 | 63 000 | - | - | - | 72 882 | 60 263 | 78 996 |
| B FS193 | Nketoana | 7 530 | - | - | - | - | - | 65 | 5 220 | 7 410 | - | - | - | 162 555 | 140 570 | 168 599 | - | - | - | 170 150 | 145 790 | 176 009 |
| B FS194 | Maluti-a-Phofung | - | - | - | - | - | - | 22 890 | 25 896 | 8 522 | 100 | 1 000 | 1 000 | 115 371 | 139 109 | 146 064 | 6 000 | - | 8 600 | 144 361 | 166 005 | 164 186 |
| B FS195 | Phumelela | 6 193 | - | - | - | - | - | 3 991 | 1 198 | 147 | - | - | - | - | - | - | - | - | - | 10 184 | 1 198 | 147 |
| B FS196 | Mantsopa | - | - | - | - | - | - | 8 498 | 2 520 | 1 212 | - | - | - | - | - | - | - | - | - | 8 498 | 2 520 | 1 212 |
| C DC19 | Thabo Mofutsanyana District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Thabo Mofutsanyana Municipalities** | | **25 378** | **-** | **-** | **-** | **-** | **-** | **40 917** | **35 360** | **34 854** | **100** | **1 000** | **1 000** | **383 398** | **339 679** | **377 663** | **47 833** | **39 833** | **8 600** | **497 626** | **415 872** | **422 117** |
| B FS201 | Moqhaka | 12 188 | - | - | - | - | - | 5 338 | 7 313 | 10 296 | - | - | - | 9 000 | - | - | - | - | - | 26 526 | 7 313 | 10 296 |
| B FS203 | Ngwathe | 12 702 | - | - | - | - | - | 16 | - | - | - | - | - | - | - | - | - | - | - | 12 718 | - | - |
| B FS204 | Metsimaholo | 13 517 | - | - | - | - | - | 33 | - | - | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 14 550 | 1 000 | 1 000 |
| B FS205 | Mafube | 6 638 | - | - | - | - | - | 16 | - | - | - | - | - | 15 000 | 30 000 | 31 500 | - | 15 000 | 8 000 | 21 654 | 45 000 | 39 500 |
| C DC20 | Fezile Dabi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Fezile Dabi Municipalities** | | **45 044** | **-** | **-** | **-** | **-** | **-** | **5 403** | **7 313** | **10 296** | **1 000** | **1 000** | **1 000** | **24 000** | **30 000** | **31 500** | **-** | **15 000** | **8 000** | **75 447** | **53 313** | **50 796** |
| **Total: Free State Municipalities** | | **124 174** | **-** | **-** | **-** | **-** | **-** | **57 033** | **46 133** | **48 440** | **4 440** | **6 500** | **6 500** | **845 175** | **669 438** | **723 910** | **67 833** | **67 833** | **33 600** | **1 098 655** | **789 904** | **812 450** |
| **GAUTENG** | | | | | | | | | | | | | | | | | | | | | | |
| A EKU | City of Ekurhuleni | - | - | - | - | - | - | 42 041 | 22 356 | 42 562 | 4 000 | 7 000 | 7 000 | - | - | - | - | - | - | 46 041 | 29 356 | 49 562 |
| A JHB | City of Johannesburg | - | - | - | - | - | - | 19 296 | 252 | 449 | 4 000 | 7 000 | 7 000 | - | - | - | - | - | - | 23 296 | 7 252 | 7 449 |
| A TSH | City of Tshwane | - | - | - | - | - | - | 12 471 | 9 455 | 1 530 | 3 500 | 5 000 | 5 000 | - | - | - | - | - | - | 15 971 | 14 455 | 6 530 |
| B GT421 | Emfuleni | 52 210 | - | - | - | - | - | 15 098 | 11 488 | 16 603 | 2 000 | 2 000 | 2 000 | 505 037 | 646 221 | 644 372 | - | - | - | 574 345 | 659 709 | 662 975 |
| B GT422 | Midvaal | - | - | - | - | - | - | - | - | - | 2 000 | 2 000 | 2 000 | 55 000 | - | - | - | - | - | 57 000 | 2 000 | 2 000 |
| B GT423 | Lesedi | - | - | - | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 |
| C DC42 | Sedibeng District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Sedibeng Municipalities** | | **52 210** | **-** | **-** | **-** | **-** | **-** | **15 098** | **11 488** | **16 603** | **5 000** | **5 000** | **5 000** | **560 037** | **646 221** | **644 372** | **-** | **-** | **-** | **632 345** | **662 709** | **665 975** |
| B GT481 | Mogale City | - | - | - | 47 000 | - | - | 4 062 | 9 856 | 23 945 | 2 000 | 4 000 | 4 000 | - | - | - | - | - | - | 53 062 | 13 856 | 27 945 |
| B GT484 | Merafong City | - | - | - | - | - | - | 233 | 8 213 | 123 | - | - | - | - | - | - | - | - | - | 233 | 8 213 | 123 |
| B GT485 | Rand West City | - | - | - | - | - | - | 3 608 | 19 651 | 123 | 2 000 | 2 000 | 2 000 | 40 000 | 100 000 | 105 000 | - | - | - | 45 608 | 121 651 | 107 123 |
| C DC48 | West Rand District Municipality | - | - | - | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 |
| **Total: West Rand Municipalities** | | **-** | **-** | **-** | **47 000** | **-** | **-** | **7 903** | **37 720** | **24 191** | **5 000** | **7 000** | **7 000** | **40 000** | **100 000** | **105 000** | **-** | **-** | **-** | **99 903** | **144 720** | **136 191** |
| **Total: Gauteng Municipalities** | | **52 210** | **-** | **-** | **47 000** | **-** | **-** | **96 809** | **81 271** | **85 335** | **21 500** | **31 000** | **31 000** | **600 037** | **746 221** | **749 372** | **-** | **-** | **-** | **817 556** | **858 492** | **865 707** |

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

| Category | Municipality | Municipal Infrastructure Grant | | | Smart Meters Grant | | | Integrated National Electrification Programme (Eskom) Grant | | | Neighbourhood Development Partnership Grant (Technical Assistance) | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | | SUB-TOTAL: INDIRECT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **KWAZULU-NATAL** | | | | | | | | | | | | | | | | | | | | | | |
| A ETH | eThekwini | - | - | - | - | - | - | 21 471 | 300 | 29 824 | 3 000 | 6 000 | 6 000 | - | - | - | - | - | - | 24 471 | 6 300 | 35 824 |
| B KZN212 | uMdoni | - | - | - | - | - | - | 22 146 | 34 018 | 22 400 | - | - | - | - | - | - | - | - | - | 22 146 | 34 018 | 22 400 |
| B KZN213 | uMzumbe | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B KZN214 | uMuziwabantu | - | - | - | - | - | - | - | 1 500 | 300 | - | - | - | - | - | - | - | - | - | - | 1 500 | 300 |
| B KZN216 | Ray Nkonyeni | - | - | - | - | - | - | 57 227 | 6 871 | 7 411 | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 58 227 | 7 871 | 8 411 |
| C DC21 | Ugu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Ugu Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **79 373** | **42 389** | **30 111** | **1 000** | **1 000** | **1 000** | **-** | **-** | **-** | **-** | **-** | **-** | **80 373** | **43 389** | **31 111** |
| B KZN221 | uMshwathi | - | - | - | - | - | - | 2 250 | 1 800 | 2 604 | - | - | - | - | - | - | - | - | - | 2 250 | 1 800 | 2 604 |
| B KZN222 | uMngeni | - | - | - | - | - | - | 698 | 11 515 | - | - | - | - | - | - | - | - | - | - | 698 | 11 515 | - |
| B KZN223 | Mpofana | - | - | - | - | - | - | 15 850 | 1 500 | 300 | - | - | - | - | - | - | - | - | - | 15 850 | 1 500 | 300 |
| B KZN224 | iMpendle | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B KZN225 | Msunduzi | - | - | - | - | - | - | 4 860 | 15 602 | 26 199 | 2 500 | 2 500 | 2 500 | - | - | - | - | - | - | 7 360 | 18 102 | 28 699 |
| B KZN226 | Mkhambathini | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B KZN227 | Richmond | - | - | - | - | - | - | 5 743 | 1 923 | - | - | - | - | - | - | - | - | - | - | 5 743 | 1 923 | - |
| C DC22 | uMgungundlovu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: uMgungundlovu Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **29 401** | **32 340** | **29 103** | **2 500** | **2 500** | **2 500** | **-** | **-** | **-** | **-** | **-** | **-** | **31 901** | **34 840** | **31 603** |
| B KZN235 | Okhahlamba | - | - | - | - | - | - | 6 082 | 79 846 | 66 787 | - | - | - | - | - | - | - | - | - | 6 082 | 79 846 | 66 787 |
| B KZN237 | iNkosi Langalibalele | - | - | - | - | - | - | 18 918 | 39 421 | 43 726 | - | - | - | - | - | - | - | - | - | 18 918 | 39 421 | 43 726 |
| B KZN238 | Alfred Duma | - | - | - | - | - | - | 3 687 | 13 658 | 10 981 | 1 000 | 1 000 | 2 000 | - | - | - | - | - | - | 4 687 | 14 658 | 12 981 |
| C DC23 | uThukela District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: uThukela Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **28 687** | **132 925** | **121 494** | **1 000** | **1 000** | **2 000** | **-** | **-** | **-** | **-** | **-** | **-** | **29 687** | **133 925** | **123 494** |
| B KZN241 | eNdumeni | - | - | - | 46 000 | - | - | - | - | 1 500 | - | - | - | - | - | - | - | - | - | 46 000 | - | 1 500 |
| B KZN242 | Nquthu | - | - | - | - | - | - | - | - | 9 433 | - | - | - | - | - | - | - | - | - | - | - | 9 433 |
| B KZN244 | uMsinga | - | - | - | - | - | - | 9 238 | - | 1 800 | - | - | - | - | - | - | - | - | - | 9 238 | - | 1 800 |
| B KZN245 | uMvoti | - | - | - | - | - | - | 950 | 21 602 | 28 530 | - | - | - | - | - | - | - | - | - | 950 | 21 602 | 28 530 |
| C DC24 | uMzinyathi District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: uMzinyathi Municipalities** | | **-** | **-** | **-** | **46 000** | **-** | **-** | **10 188** | **21 602** | **41 263** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **56 188** | **21 602** | **41 263** |
| B KZN252 | Newcastle | - | - | - | - | - | - | 1 900 | 73 032 | 17 907 | 1 000 | 1 000 | 2 000 | - | - | - | - | - | - | 2 900 | 74 032 | 19 907 |
| B KZN253 | eMadlangeni | - | - | - | - | - | - | 16 633 | 2 500 | 17 400 | - | - | - | - | - | - | - | - | - | 16 633 | 2 500 | 17 400 |
| B KZN254 | Dannhauser | - | - | - | - | - | - | 2 250 | 600 | 11 447 | - | - | - | - | - | - | - | - | - | 2 250 | 600 | 11 447 |
| C DC25 | Amajuba District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Amajuba Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **20 783** | **76 132** | **46 754** | **1 000** | **1 000** | **2 000** | **-** | **-** | **-** | **-** | **-** | **-** | **21 783** | **77 132** | **48 754** |
| B KZN261 | eDumbe | - | - | - | - | - | - | 1 206 | 9 128 | 600 | - | - | - | - | - | - | - | - | - | 1 206 | 9 128 | 600 |
| B KZN262 | uPhongolo | - | - | - | - | - | - | 4 951 | 2 400 | 12 019 | - | - | - | - | - | - | - | - | - | 4 951 | 2 400 | 12 019 |
| B KZN263 | AbaQulusi | - | - | - | - | - | - | 29 251 | 37 791 | 12 735 | - | - | - | - | - | - | - | - | - | 29 251 | 37 791 | 12 735 |
| B KZN265 | Nongoma | - | - | - | - | - | - | 3 963 | 600 | 11 099 | - | - | - | - | - | - | - | - | - | 3 963 | 600 | 11 099 |
| B KZN266 | Ulundi | - | - | - | - | - | - | 1 550 | 6 369 | 52 773 | - | - | - | - | - | - | - | - | - | 1 550 | 6 369 | 52 773 |
| C DC26 | Zululand District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Zululand Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **40 921** | **56 288** | **89 226** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **40 921** | **56 288** | **89 226** |
| B KZN271 | uMhlabuyalingana | - | - | - | - | - | - | 68 291 | 20 981 | 32 095 | - | - | - | - | - | - | - | - | - | 68 291 | 20 981 | 32 095 |
| B KZN272 | Jozini | - | - | - | - | - | - | 62 117 | 14 128 | 54 955 | - | - | - | - | - | - | - | - | - | 62 117 | 14 128 | 54 955 |
| B KZN275 | Inkosi uMtubatuba | - | - | - | - | - | - | 744 | 10 798 | 21 885 | - | - | - | - | - | - | - | - | - | 744 | 10 798 | 21 885 |
| B KZN276 | Big Five Hlabisa | - | - | - | - | - | - | 7 074 | 5 605 | 15 807 | - | - | - | - | - | - | - | - | - | 7 074 | 5 605 | 15 807 |
| C DC27 | uMkhanyakude District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 235 331 | 457 655 | 475 961 | 235 331 | 457 655 | 475 961 |
| **Total: uMkhanyakude Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **138 226** | **51 512** | **124 742** | **-** | **-** | **-** | **-** | **-** | **-** | **235 331** | **457 655** | **475 961** | **373 557** | **509 167** | **600 703** |
| B KZN281 | uMfolozi | - | - | - | - | - | - | 14 235 | 14 851 | 16 974 | - | - | - | - | - | - | - | - | - | 14 235 | 14 851 | 16 974 |
| B KZN282 | uMhlathuze | - | - | - | - | - | - | 24 027 | 11 377 | 7 593 | - | - | - | - | - | - | - | - | - | 24 027 | 11 377 | 7 593 |
| B KZN284 | uMlalazi | - | - | - | - | - | - | 11 789 | 32 078 | 19 596 | - | - | - | - | - | - | - | - | - | 11 789 | 32 078 | 19 596 |
| B KZN285 | Mthonjaneni | - | - | - | - | - | - | 7 659 | 600 | 600 | - | - | - | - | - | - | - | - | - | 7 659 | 600 | 600 |
| B KZN286 | Nkandla | - | - | - | - | - | - | - | - | 900 | - | - | - | - | - | - | - | - | - | - | - | 900 |
| C DC28 | King Cetshwayo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: King Cetshwayo Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **57 710** | **58 906** | **45 663** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **57 710** | **58 906** | **45 663** |
| B KZN291 | Mandeni | - | - | - | - | - | - | - | 900 | 15 052 | - | - | - | - | - | - | - | - | - | - | 900 | 15 052 |
| B KZN292 | KwaDukuza | - | - | - | - | - | - | - | - | 900 | 10 000 | 2 000 | 2 000 | - | - | - | - | - | - | 10 000 | 2 000 | 2 900 |
| B KZN293 | Ndwedwe | - | - | - | - | - | - | - | 1 500 | 300 | - | - | - | - | - | - | - | - | - | - | 1 500 | 300 |
| B KZN294 | Maphumulo | - | - | - | - | - | - | 22 497 | 46 744 | 20 327 | - | - | - | - | - | - | - | - | - | 22 497 | 46 744 | 20 327 |
| C DC29 | iLembe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: iLembe Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **22 497** | **49 144** | **36 579** | **10 000** | **2 000** | **2 000** | **-** | **-** | **-** | **-** | **-** | **-** | **32 497** | **51 144** | **38 579** |
| B KZN433 | Greater Kokstad | - | - | - | - | - | - | 9 559 | 1 500 | 300 | - | - | - | - | - | - | - | - | - | 9 559 | 1 500 | 300 |
| B KZN434 | Johannes Phumani Phungula | - | - | - | - | - | - | 1 062 | 8 534 | 4 670 | - | - | - | - | - | - | - | - | - | 1 062 | 8 534 | 4 670 |
| B KZN435 | uMzimkhulu | - | - | - | - | - | - | 4 828 | 54 423 | 12 493 | - | - | - | - | - | - | - | - | - | 4 828 | 54 423 | 12 493 |
| B KZN436 | Dr Nkosazana Dlamini Zuma | - | - | - | - | - | - | 1 438 | 3 260 | 6 496 | - | - | - | - | - | - | - | - | - | 1 438 | 3 260 | 6 496 |
| C DC43 | Harry Gwala District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Harry Gwala Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **16 887** | **67 717** | **23 959** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **16 887** | **67 717** | **23 959** |
| **Total: KwaZulu-Natal Municipalities** | | **-** | **-** | **-** | **46 000** | **-** | **-** | **466 144** | **589 255** | **618 718** | **18 500** | **13 500** | **15 500** | **-** | **-** | **-** | **235 331** | **457 655** | **475 961** | **765 975** | **1 060 410** | **1 110 179** |

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

| Category | Municipality | Municipal Infrastructure Grant | | | Smart Meters Grant | | | Integrated National Electrification Programme (Eskom) Grant | | | Neighbourhood Development Partnership Grant (Technical Assistance) | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | | SUB-TOTAL: INDIRECT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| **LIMPOPO** | | | | | | | | | | | | | | | | | | | | | | |
| B | LIM331 Greater Giyani | - | - | - | - | - | - | 7 730 | 1 898 | 14 920 | - | - | - | - | - | - | - | - | - | 7 730 | 1 898 | 14 920 |
| B | LIM332 Greater Letaba | - | - | - | - | - | - | 4 995 | 5 726 | 6 802 | - | - | - | - | - | - | - | - | - | 4 995 | 5 726 | 6 802 |
| B | LIM333 Greater Tzaneen | - | - | - | - | - | - | 19 814 | 24 712 | 34 664 | - | - | - | - | - | - | - | - | - | 19 814 | 24 712 | 34 664 |
| B | LIM334 Ba-Phalaborwa | - | - | - | - | - | - | 1 220 | 23 934 | 27 636 | - | - | - | - | - | - | - | - | - | 1 220 | 23 934 | 27 636 |
| B | LIM335 Maruleng | - | - | - | - | - | - | 1 280 | 5 868 | 7 586 | - | - | - | - | - | - | - | - | - | 1 280 | 5 868 | 7 586 |
| C | DC33 Mopani District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 365 000 | 533 607 | 575 583 | 136 000 | 130 416 | 182 703 | 501 000 | 664 023 | 758 286 |
| **Total: Mopani Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **35 039** | **62 138** | **91 608** | **-** | **-** | **-** | **365 000** | **533 607** | **575 583** | **136 000** | **130 416** | **182 703** | **536 039** | **726 161** | **849 894** |
| B | LIM341 Musina | - | - | - | - | - | - | 1 524 | 5 190 | 4 854 | - | - | - | - | - | - | - | - | - | 1 524 | 5 190 | 4 854 |
| B | LIM343 Thulamela | - | - | - | - | - | - | 58 014 | 37 635 | 31 476 | 500 | 1 500 | 1 500 | - | - | - | - | - | - | 58 514 | 39 135 | 32 976 |
| B | LIM344 Makhado | - | - | - | - | - | - | 29 331 | 3 568 | 9 845 | - | - | - | - | - | - | - | - | - | 29 331 | 3 568 | 9 845 |
| B | LIM345 Collins Chabane | - | - | - | - | - | - | 6 141 | 9 723 | 12 091 | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 7 141 | 10 723 | 13 091 |
| C | DC34 Vhembe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 113 170 | 235 800 | 255 800 | - | - | - | 113 170 | 235 800 | 255 800 |
| **Total: Vhembe Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **95 010** | **56 116** | **58 266** | **1 500** | **2 500** | **2 500** | **113 170** | **235 800** | **255 800** | **-** | **-** | **-** | **209 680** | **294 416** | **316 566** |
| B | LIM351 Blouberg | - | - | - | - | - | - | 4 368 | 8 181 | 6 160 | - | - | - | - | - | - | - | - | - | 4 368 | 8 181 | 6 160 |
| B | LIM353 Molemole | - | - | - | - | - | - | 15 427 | 4 631 | 10 249 | - | - | - | - | - | - | - | - | - | 15 427 | 4 631 | 10 249 |
| B | LIM354 Polokwane | - | - | - | - | - | - | 36 258 | 99 579 | 60 386 | 2 000 | 2 733 | 2 000 | - | - | - | - | - | - | 38 258 | 102 312 | 62 386 |
| B | LIM355 Lepele-Nkumpi | - | - | - | - | - | - | 18 790 | 11 450 | 8 533 | - | - | - | - | - | - | - | - | - | 18 790 | 11 450 | 8 533 |
| C | DC35 Capricorn District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Capricorn Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **74 843** | **123 841** | **85 328** | **2 000** | **2 733** | **2 000** | **-** | **-** | **-** | **-** | **-** | **-** | **76 843** | **126 574** | **87 328** |
| B | LIM361 Thabazimbi | 9 921 | - | - | 47 000 | - | - | 2 669 | 815 | 4 136 | - | - | - | - | - | - | 51 764 | 65 065 | 68 818 | 111 354 | 65 880 | 72 954 |
| B | LIM362 Lephalale | - | - | - | - | - | - | 22 088 | 24 721 | 8 988 | - | - | - | - | - | - | 63 300 | 77 611 | 71 992 | 85 388 | 102 332 | 80 980 |
| B | LIM366 Bela-Bela | - | - | - | - | - | - | 1 259 | 696 | 4 674 | - | - | - | - | - | - | - | - | - | 1 259 | 696 | 4 674 |
| B | LIM367 Mogalakwena | - | - | - | - | - | - | 37 113 | 30 257 | 18 300 | - | - | - | 130 000 | 30 000 | - | - | - | - | 167 113 | 60 257 | 18 300 |
| B | LIM368 Modimolle-Mookgophong | - | - | - | - | - | - | - | - | 2 490 | - | - | - | - | - | - | 123 300 | 108 052 | 113 455 | 123 300 | 108 052 | 115 945 |
| C | DC36 Waterberg District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Waterberg Municipalities** | | **9 921** | **-** | **-** | **47 000** | **-** | **-** | **63 129** | **56 489** | **38 588** | **-** | **-** | **-** | **130 000** | **30 000** | **-** | **238 364** | **250 728** | **254 264** | **488 414** | **337 217** | **292 852** |
| B | LIM471 Ephraim Mogale | - | - | - | - | - | - | 7 280 | 4 803 | 8 965 | - | - | - | - | - | - | - | - | - | 7 280 | 4 803 | 8 965 |
| B | LIM472 Elias Motsoaledi | - | - | - | - | - | - | 21 387 | 9 106 | 10 838 | - | - | - | - | - | - | - | - | - | 21 387 | 9 106 | 10 838 |
| B | LIM473 Makhuduthamaga | - | - | - | - | - | - | 13 882 | 5 538 | 12 980 | - | - | - | - | - | - | - | - | - | 13 882 | 5 538 | 12 980 |
| B | LIM476 Fetakgomo Tubatse | - | - | - | - | - | - | 12 167 | 5 280 | 33 153 | 4 500 | 2 000 | 2 000 | - | - | - | - | - | - | 16 667 | 7 280 | 35 153 |
| C | DC47 Sekhukhune District Municipality | 142 798 | - | - | - | - | - | - | - | - | - | - | - | 100 000 | - | - | 70 000 | 63 220 | 66 881 | 312 798 | 63 220 | 66 881 |
| **Total: Sekhukhune Municipalities** | | **142 798** | **-** | **-** | **-** | **-** | **-** | **54 716** | **24 727** | **65 936** | **4 500** | **2 000** | **2 000** | **100 000** | **-** | **-** | **70 000** | **63 220** | **66 881** | **372 014** | **89 947** | **134 817** |
| **Total: Limpopo Municipalities** | | **152 718** | **-** | **-** | **47 000** | **-** | **-** | **322 737** | **323 311** | **339 726** | **8 000** | **7 233** | **6 500** | **708 170** | **799 407** | **831 383** | **444 364** | **444 364** | **503 848** | **1 682 989** | **1 574 315** | **1 681 457** |
| **MPUMALANGA** | | | | | | | | | | | | | | | | | | | | | | |
| B | MP301 Chief Albert Luthuli | - | - | - | - | - | - | 4 335 | 6 794 | 9 004 | - | - | - | - | - | - | - | - | - | 4 335 | 6 794 | 9 004 |
| B | MP302 Msukaligwa | - | - | - | - | - | - | 4 498 | 6 660 | 3 963 | - | - | - | - | - | - | - | - | - | 4 498 | 6 660 | 3 963 |
| B | MP303 Mkhondo | - | - | - | - | - | - | 7 698 | 11 141 | 14 539 | - | - | - | 100 000 | 57 798 | 60 110 | 50 000 | 34 066 | 35 769 | 157 698 | 103 005 | 110 418 |
| B | MP304 Dr Pixley ka Isaka Seme | - | - | - | - | - | - | 4 070 | 1 496 | 3 884 | - | - | - | - | - | - | - | - | - | 4 070 | 1 496 | 3 884 |
| B | MP305 Lekwa | 8 636 | - | - | 47 000 | - | - | 121 | 242 | 845 | - | - | - | 105 000 | 61 800 | 64 272 | 30 026 | 32 960 | 34 608 | 190 783 | 95 002 | 99 725 |
| B | MP306 Dipaleseng | 5 499 | - | - | - | - | - | - | - | 423 | - | - | - | 12 000 | 30 000 | 31 200 | - | 30 000 | 31 500 | 17 499 | 60 000 | 63 123 |
| B | MP307 Govan Mbeki | - | - | - | - | - | - | 121 | - | 845 | - | - | - | 5 000 | 10 000 | 10 400 | - | - | - | 5 121 | 10 000 | 11 245 |
| C | DC30 Gert Sibande District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Gert Sibande Municipalities** | | **14 135** | **-** | **-** | **47 000** | **-** | **-** | **20 843** | **26 333** | **33 503** | **-** | **-** | **-** | **222 000** | **159 598** | **165 982** | **80 026** | **97 026** | **101 877** | **384 004** | **282 957** | **301 362** |
| B | MP311 Victor Khanye | - | - | - | - | - | - | 22 552 | - | 1 585 | - | - | - | - | - | - | 17 000 | - | - | 39 552 | - | 1 585 |
| B | MP312 Emalahleni | - | - | - | - | - | - | - | - | - | 10 000 | 2 000 | 2 000 | - | - | - | - | - | - | 10 000 | 2 000 | 2 000 |
| B | MP313 Steve Tshwete | - | - | - | - | - | - | 333 | 2 493 | 127 | - | - | - | - | - | - | - | - | - | 333 | 2 493 | 127 |
| B | MP314 Emakhazeni | - | - | - | - | - | - | 1 561 | 3 688 | 1 088 | - | - | - | - | - | - | - | - | - | 1 561 | 3 688 | 1 088 |
| B | MP315 Thembisile Hani | - | - | - | - | - | - | 48 503 | 50 252 | 33 453 | 1 000 | 1 000 | 1 000 | 250 000 | 200 000 | 208 000 | - | - | - | 299 503 | 251 252 | 242 453 |
| B | MP316 Dr JS Moroka | - | - | - | - | - | - | 22 850 | 52 823 | 108 430 | - | - | - | 5 000 | 10 000 | 10 400 | - | - | - | 27 850 | 62 823 | 118 830 |
| C | DC31 Nkangala District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Nkangala Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **95 799** | **109 256** | **144 683** | **11 000** | **3 000** | **3 000** | **255 000** | **210 000** | **218 400** | **17 000** | **-** | **-** | **378 799** | **322 256** | **366 083** |
| B | MP321 Thaba Chweu | - | - | - | - | - | - | 2 548 | 2 859 | 3 493 | - | - | - | - | - | - | - | - | - | 2 548 | 2 859 | 3 493 |
| B | MP324 Nkomazi | - | - | - | - | - | - | 5 724 | 31 089 | 11 549 | 1 000 | 1 000 | 1 000 | 58 042 | - | - | - | - | - | 64 766 | 32 089 | 12 549 |
| B | MP325 Bushbuckridge | - | - | - | - | - | - | 15 812 | 50 110 | 43 117 | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 16 812 | 51 110 | 44 117 |
| B | MP326 City of Mbombela | - | - | - | - | - | - | 126 019 | 92 318 | 96 468 | 2 000 | 3 000 | 3 000 | - | - | - | 20 000 | 20 000 | 21 000 | 148 019 | 115 318 | 120 468 |
| C | DC32 Ehlanzeni District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Ehlanzeni Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **150 103** | **176 376** | **154 627** | **4 000** | **5 000** | **5 000** | **58 042** | **-** | **-** | **20 000** | **20 000** | **21 000** | **232 145** | **201 376** | **180 627** |
| **Total: Mpumalanga Municipalities** | | **14 135** | **-** | **-** | **47 000** | **-** | **-** | **266 745** | **311 965** | **332 813** | **15 000** | **8 000** | **8 000** | **535 042** | **369 598** | **384 382** | **117 026** | **117 026** | **122 877** | **994 948** | **806 589** | **848 072** |

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

| Category | Municipality | Municipal Infrastructure Grant | | | Smart Meters Grant | | | Integrated National Electrification Programme (Eskom) Grant | | | Neighbourhood Development Partnership Grant (Technical Assistance) | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | | SUB-TOTAL: INDIRECT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTHERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| B | NC061 Richtersveld | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC062 Nama Khoi | 4 220 | - | - | - | - | - | 518 | - | 378 | - | - | - | - | - | - | - | - | - | 4 738 | - | 378 |
| B | NC064 Kamiesberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC065 Hantam | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC066 Karoo Hoogland | - | - | - | - | - | - | 1 751 | - | - | - | - | - | - | - | - | - | - | - | 1 751 | - | - |
| B | NC067 Khâi-Ma | - | - | - | - | - | - | 7 499 | 18 073 | 17 101 | - | - | - | - | - | - | - | - | - | 7 499 | 18 073 | 17 101 |
| C | DC6 Namakwa District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Namakwa Municipalities** | | **4 220** | **-** | **-** | **-** | **-** | **-** | **9 768** | **18 073** | **17 479** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **13 988** | **18 073** | **17 479** |
| B | NC071 Ubuntu | - | - | - | 46 000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 000 | - | - |
| B | NC072 Umsobomvu | - | - | - | - | - | - | 79 | - | 1 104 | - | - | - | - | - | - | - | - | - | 79 | - | 1 104 |
| B | NC073 Emthanjeni | 3 473 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3 473 | - | - |
| B | NC074 Kareeberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5 000 | 5 300 | - | 5 000 | 5 300 |
| B | NC075 Renosterberg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC076 Thembelihle | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC077 Siyathemba | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC078 Siyancuma | - | - | - | - | - | - | 3 197 | - | - | - | - | - | 1 913 | - | - | 30 000 | 12 143 | 12 750 | 35 110 | 12 143 | 12 750 |
| C | DC7 Pixley Ka Seme District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Pixley Ka Seme Municipalities** | | **3 473** | **-** | **-** | **46 000** | **-** | **-** | **3 276** | **-** | **1 104** | **-** | **-** | **-** | **1 913** | **-** | **-** | **30 000** | **17 143** | **18 050** | **84 662** | **17 143** | **19 154** |
| B | NC082 !Kai !Garib | 6 617 | - | - | - | - | - | 22 428 | - | - | 1 000 | 1 000 | 1 000 | - | - | - | - | 3 000 | 3 200 | 30 045 | 4 000 | 4 200 |
| B | NC084 !Kheis | - | - | - | - | - | - | 55 | - | - | - | - | - | - | - | - | - | 3 000 | 3 200 | 55 | 3 000 | 3 200 |
| B | NC085 Tsantsabane | - | - | - | - | - | - | 28 018 | - | - | - | - | - | 4 327 | - | - | - | - | - | 32 345 | - | - |
| B | NC086 Kgatelopele | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B | NC087 Dawid Kruiper | - | - | - | 46 000 | - | - | 9 625 | 4 830 | 18 414 | 1 000 | 1 000 | 1 000 | 20 000 | 100 000 | 80 000 | - | - | - | 76 625 | 105 830 | 99 414 |
| C | DC8 Z.F. Mgcawu District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Z.F. Mgcawu Municipalities** | | **6 617** | **-** | **-** | **46 000** | **-** | **-** | **60 126** | **4 830** | **18 414** | **2 000** | **2 000** | **2 000** | **24 327** | **100 000** | **80 000** | **-** | **6 000** | **6 400** | **139 070** | **112 830** | **106 814** |
| B | NC091 Sol Plaatjie | - | - | - | - | - | - | 36 797 | 16 492 | 11 157 | 1 000 | 1 000 | 2 000 | 940 | - | - | - | 3 000 | 3 200 | 38 737 | 20 492 | 16 357 |
| B | NC092 Dikgatlong | - | - | - | - | - | - | 229 | - | - | - | - | - | - | - | - | - | 3 857 | 4 050 | 229 | 3 857 | 4 050 |
| B | NC093 Magareng | - | - | - | - | - | - | - | - | - | - | - | - | 9 960 | 5 000 | - | - | - | - | 9 960 | 5 000 | - |
| B | NC094 Phokwane | 7 793 | - | - | - | - | - | - | - | 846 | - | - | - | - | - | - | - | - | - | 7 793 | - | 846 |
| C | DC9 Frances Baard District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Frances Baard Municipalities** | | **7 793** | **-** | **-** | **-** | **-** | **-** | **37 026** | **16 492** | **12 003** | **1 000** | **1 000** | **2 000** | **10 900** | **5 000** | **-** | **-** | **6 857** | **7 250** | **56 719** | **29 349** | **21 253** |
| B | NC451 Joe Morolong | - | - | - | - | - | - | 2 113 | 2 169 | - | - | - | - | - | - | - | - | - | - | 2 113 | 2 169 | - |
| B | NC452 Ga-Segonyana | - | - | - | - | - | - | 57 111 | - | 17 949 | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 58 111 | 1 000 | 18 949 |
| B | NC453 Gamagara | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C | DC45 John Taolo Gaetsewe District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: John Taolo Gaetsewe Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **59 224** | **2 169** | **17 949** | **1 000** | **1 000** | **1 000** | **-** | **-** | **-** | **-** | **-** | **-** | **60 224** | **3 169** | **18 949** |
| **Total: Northern Cape Municipalities** | | **22 102** | **-** | **-** | **92 000** | **-** | **-** | **169 420** | **41 564** | **66 949** | **4 000** | **4 000** | **5 000** | **37 140** | **105 000** | **80 000** | **30 000** | **30 000** | **31 700** | **354 662** | **180 564** | **183 649** |
| **NORTH WEST** | | | | | | | | | | | | | | | | | | | | | | |
| B | NW371 Moretele | - | - | - | - | - | - | 25 092 | 10 140 | 10 022 | 100 | 1 000 | 1 000 | 61 899 | 62 262 | 75 152 | - | - | - | 87 091 | 73 402 | 86 174 |
| B | NW372 Madibeng | - | - | - | - | - | - | 23 865 | 53 928 | 80 770 | - | - | - | 28 112 | 28 112 | 29 236 | 17 000 | 17 000 | 17 850 | 68 977 | 99 040 | 127 856 |
| B | NW373 Rustenburg | - | - | - | - | - | - | 51 281 | 10 028 | - | 1 000 | 1 000 | 2 000 | - | - | - | - | - | - | 52 281 | 11 028 | 2 000 |
| B | NW374 Kgetlengrivier | - | - | - | - | - | - | 435 | 12 559 | 3 140 | - | - | - | - | - | - | 20 000 | 20 000 | 21 000 | 20 435 | 32 559 | 24 140 |
| B | NW375 Moses Kotane | - | - | - | - | - | - | 14 021 | 14 932 | 143 783 | - | - | - | - | - | - | - | - | - | 14 021 | 14 932 | 143 783 |
| C | DC37 Bojanala Platinum District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Bojanala Platinum Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **114 694** | **101 587** | **237 715** | **1 100** | **2 000** | **3 000** | **90 011** | **90 374** | **104 388** | **37 000** | **37 000** | **38 850** | **242 805** | **230 961** | **383 953** |
| B | NW381 Ratlou | - | - | - | - | - | - | 2 608 | 2 377 | - | - | - | - | - | - | - | - | - | - | 2 608 | 2 377 | - |
| B | NW382 Tswaing | - | - | - | - | - | - | 5 279 | 38 686 | 1 268 | - | - | - | - | - | - | - | - | - | 5 279 | 38 686 | 1 268 |
| B | NW383 Mafikeng | - | - | - | - | - | - | 24 055 | 67 077 | 25 091 | 1 000 | 1 820 | 2 872 | - | - | - | - | - | - | 25 055 | 68 897 | 27 963 |
| B | NW384 Ditsobotla | - | - | - | - | - | - | 7 120 | 25 300 | 20 105 | - | - | - | - | - | - | - | - | - | 7 120 | 25 300 | 20 105 |
| B | NW385 Ramotshere Moiloa | - | - | - | 46 000 | - | - | 8 474 | 9 491 | 2 222 | - | - | - | - | - | - | - | - | - | 54 474 | 9 491 | 2 222 |
| C | DC38 Ngaka Modiri Molema District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | 52 000 | 62 000 | 64 480 | 142 378 | 142 378 | 148 071 | 194 378 | 204 378 | 212 551 |
| **Total: Ngaka Modiri Molema Municipalities** | | **-** | **-** | **-** | **46 000** | **-** | **-** | **47 536** | **142 931** | **48 686** | **1 000** | **1 820** | **2 872** | **52 000** | **62 000** | **64 480** | **142 378** | **142 378** | **148 071** | **288 914** | **349 129** | **264 109** |
| B | NW392 Naledi | - | - | - | - | - | - | 448 | 8 295 | 413 | - | - | - | - | - | - | - | - | - | 448 | 8 295 | 413 |
| B | NW393 Mamusa | - | - | - | - | - | - | 435 | 552 | - | - | - | - | - | - | - | - | - | - | 435 | 552 | - |
| B | NW394 Greater Taung | - | - | - | - | - | - | 66 022 | 30 935 | 11 770 | - | - | - | - | - | - | - | - | - | 66 022 | 30 935 | 11 770 |
| B | NW396 Lekwa-Teemane | - | - | - | - | - | - | 13 521 | 552 | - | - | - | - | - | - | - | - | - | - | 13 521 | 552 | - |
| B | NW397 Kagisano-Molopo | - | - | - | - | - | - | 12 755 | 26 525 | 8 848 | - | - | - | - | - | - | - | - | - | 12 755 | 26 525 | 8 848 |
| C | DC39 Dr Ruth Segomotsi Mompati District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **93 181** | **66 859** | **21 031** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **93 181** | **66 859** | **21 031** |
| B | NW403 City of Matlosana | - | - | - | - | - | - | 25 736 | 3 588 | - | 2 000 | 2 000 | 2 000 | - | - | - | - | - | - | 27 736 | 5 588 | 2 000 |
| B | NW404 Maquassi Hills | - | - | - | - | - | - | 212 | 552 | - | - | - | - | - | - | - | - | - | - | 212 | 552 | - |
| B | NW405 JB Marks | - | - | - | - | - | - | 665 | 4 186 | - | 1 000 | 1 000 | 1 000 | 42 000 | 72 000 | 74 880 | - | - | - | 43 665 | 77 186 | 75 880 |
| C | DC40 Dr Kenneth Kaunda District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Dr Kenneth Kaunda Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **26 613** | **8 326** | **-** | **3 000** | **3 000** | **3 000** | **42 000** | **72 000** | **74 880** | **-** | **-** | **-** | **71 613** | **83 326** | **77 880** |
| **Total: North West Municipalities** | | **-** | **-** | **-** | **46 000** | **-** | **-** | **282 024** | **319 703** | **307 432** | **5 100** | **6 820** | **8 872** | **184 011** | **224 374** | **243 748** | **179 378** | **179 378** | **186 921** | **696 513** | **730 275** | **746 973** |

**ANNEXURE W6**

**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**
**(SCHEDULE 6, PART B)**

| Category | Municipality | Municipal Infrastructure Grant | | | Smart Meters Grant | | | Integrated National Electrification Programme (Eskom) Grant | | | Neighbourhood Development Partnership Grant (Technical Assistance) | | | Regional Bulk Infrastructure Grant | | | Water Services Infrastructure Grant | | | SUB-TOTAL: INDIRECT | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **WESTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A CPT | City of Cape Town | - | - | - | - | - | - | 73 642 | 76 958 | 91 598 | 6 000 | 8 000 | 8 000 | - | - | - | - | - | - | 79 642 | 84 958 | 99 598 |
| B WC011 | Matzikama | - | - | - | 46 000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 000 | - | - |
| B WC012 | Cederberg | - | - | - | 46 000 | - | - | 13 454 | 15 551 | - | - | - | - | 16 016 | 16 040 | 16 843 | - | - | - | 75 470 | 31 591 | 16 843 |
| B WC013 | Bergrivier | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC014 | Saldanha Bay | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC015 | Swartland | - | - | - | - | - | - | 172 | - | - | - | - | - | - | - | - | - | - | - | 172 | - | - |
| C DC1 | West Coast District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: West Coast Municipalities** | | **-** | **-** | **-** | **92 000** | **-** | **-** | **13 626** | **15 551** | **-** | **-** | **-** | **-** | **16 016** | **16 040** | **16 843** | **-** | **-** | **-** | **121 642** | **31 591** | **16 843** |
| B WC022 | Witzenberg | - | - | - | - | - | - | 1 231 | 186 | - | - | - | - | - | - | - | - | - | - | 1 231 | 186 | - |
| B WC023 | Drakenstein | - | - | - | - | - | - | 3 649 | - | - | 2 000 | 1 000 | 1 000 | - | - | - | - | - | - | 5 649 | 1 000 | 1 000 |
| B WC024 | Stellenbosch | - | - | - | - | - | - | 108 | 2 125 | 826 | - | - | - | - | - | - | - | - | - | 108 | 2 125 | 826 |
| B WC025 | Breede Valley | - | - | - | - | - | - | 864 | 3 557 | 186 | - | - | - | - | - | - | - | - | - | 864 | 3 557 | 186 |
| B WC026 | Langeberg | - | - | - | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 |
| C DC2 | Cape Winelands District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Cape Winelands Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **5 852** | **5 868** | **1 012** | **3 000** | **2 000** | **2 000** | **-** | **-** | **-** | **-** | **-** | **-** | **8 852** | **7 868** | **3 012** |
| B WC031 | Theewaterskloof | - | - | - | - | - | - | 2 284 | 3 040 | 98 | - | - | - | - | - | - | - | - | - | 2 284 | 3 040 | 98 |
| B WC032 | Overstrand | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC033 | Cape Agulhas | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC034 | Swellendam | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C DC3 | Overberg District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Overberg Municipalities** | | **-** | **-** | **-** | **-** | **-** | **-** | **2 284** | **3 040** | **98** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **2 284** | **3 040** | **98** |
| B WC041 | Kannaland | - | - | - | 46 000 | - | - | 1 839 | - | - | - | - | - | - | - | - | - | - | - | 47 839 | - | - |
| B WC042 | Hessequa | - | - | - | - | - | - | 659 | - | - | - | - | - | - | - | - | - | - | - | 659 | - | - |
| B WC043 | Mossel Bay | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC044 | George | - | - | - | - | - | - | - | - | - | 3 000 | 4 000 | 4 000 | - | - | - | - | - | - | 3 000 | 4 000 | 4 000 |
| B WC045 | Oudtshoorn | - | - | - | - | - | - | - | 118 | 66 | - | - | - | - | - | - | - | - | - | - | 118 | 66 |
| B WC047 | Bitou | - | - | - | - | - | - | 425 | 8 871 | 11 634 | - | - | - | - | - | - | - | - | - | 425 | 8 871 | 11 634 |
| B WC048 | Knysna | - | - | - | - | - | - | - | - | - | 1 000 | 1 000 | 2 000 | - | - | - | - | - | - | 1 000 | 1 000 | 2 000 |
| C DC4 | Garden Route District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Garden Route Municipalities** | | **-** | **-** | **-** | **46 000** | **-** | **-** | **2 923** | **8 989** | **11 700** | **4 000** | **5 000** | **6 000** | **-** | **-** | **-** | **-** | **-** | **-** | **52 923** | **13 989** | **17 700** |
| B WC051 | Laingsburg | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC052 | Prince Albert | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| B WC053 | Beaufort West | - | - | - | 46 000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 46 000 | - | - |
| C DC5 | Central Karoo District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total: Central Karoo Municipalities** | | **-** | **-** | **-** | **46 000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **46 000** | **-** | **-** |
| **Total: Western Cape Municipalities** | | **-** | **-** | **-** | **184 000** | **-** | **-** | **98 327** | **110 406** | **104 408** | **13 000** | **15 000** | **16 000** | **16 016** | **16 040** | **16 843** | **-** | **-** | **-** | **311 343** | **141 446** | **137 251** |
| Unallocated | | - | - | - | - | 800 000 | 836 176 | - | - | - | - | - | - | - | - | - | - | - | - | - | 800 000 | 836 176 |
| **National Total** | | **493 807** | **-** | **-** | **650 000** | **800 000** | **836 176** | **2 274 401** | **2 389 517** | **2 498 025** | **99 140** | **103 683** | **108 372** | **3 226 507** | **3 231 507** | **3 377 638** | **1 118 932** | **1 341 256** | **1 401 908** | **7 862 787** | **7 865 963** | **8 222 119** |

**ANNEXURE W7**

**EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES**

**(National and Municipal Financial Years)**

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

| Category | | Municipality | EQUITABLE SHARE[1] National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
|---|---|---|---|---|---|---|---|---|
| **EASTERN CAPE** | | | | | | | | |
| A | BUF | Buffalo City | 1 296 018 | 1 365 808 | 1 427 605 | 2 271 794 | 2 389 872 | 2 480 546 |
| A | NMA | Nelson Mandela Bay | 1 637 749 | 1 739 300 | 1 817 952 | 3 439 835 | 3 197 958 | 3 352 272 |
| B | EC101 | Dr Beyers Naude | 126 546 | 131 231 | 137 143 | 194 082 | 212 717 | 223 355 |
| B | EC102 | Blue Crane Route | 73 464 | 75 684 | 79 097 | 142 746 | 123 935 | 129 186 |
| B | EC104 | Makana | 135 052 | 140 120 | 146 429 | 293 034 | 286 367 | 304 324 |
| B | EC105 | Ndlambe | 142 119 | 147 290 | 153 935 | 264 632 | 254 401 | 266 772 |
| B | EC106 | Sundays River Valley | 122 783 | 127 670 | 133 431 | 187 566 | 203 911 | 212 754 |
| B | EC108 | Kouga | 203 533 | 213 418 | 223 037 | 261 101 | 281 854 | 290 081 |
| B | EC109 | Kou-Kamma | 72 001 | 74 812 | 78 184 | 116 728 | 118 686 | 131 413 |
| C | DC10 | Sarah Baartman District Municipality | 113 301 | 116 246 | 121 511 | 118 222 | 120 192 | 125 680 |
| **Total: Sarah Baartman Municipalities** | | | **988 799** | **1 026 471** | **1 072 767** | **1 578 111** | **1 602 063** | **1 683 565** |
| B | EC121 | Mbhashe | 325 208 | 322 794 | 337 372 | 473 725 | 471 527 | 479 555 |
| B | EC122 | Mnquma | 338 795 | 336 229 | 351 418 | 445 349 | 482 304 | 467 103 |
| B | EC123 | Great Kei | 55 269 | 55 109 | 57 592 | 90 505 | 84 091 | 91 156 |
| B | EC124 | Amahlathi | 137 520 | 136 575 | 142 739 | 284 449 | 262 026 | 206 725 |
| B | EC126 | Ngqushwa | 107 397 | 106 732 | 111 548 | 189 247 | 153 097 | 164 621 |
| B | EC129 | Raymond Mhlaba | 225 057 | 223 260 | 233 341 | 380 481 | 316 983 | 322 936 |
| C | DC12 | Amathole District Municipality | 1 206 329 | 1 277 913 | 1 335 701 | 1 914 176 | 2 053 159 | 2 148 910 |
| **Total: Amathole Municipalities** | | | **2 395 575** | **2 458 612** | **2 569 711** | **3 777 932** | **3 823 187** | **3 881 006** |
| B | EC131 | Inxuba Yethemba | 58 946 | 59 882 | 62 572 | 96 674 | 93 308 | 97 307 |
| B | EC135 | Intsika Yethu | 207 121 | 205 662 | 214 947 | 333 422 | 296 631 | 314 618 |
| B | EC136 | Emalahleni | 160 831 | 159 658 | 166 865 | 282 909 | 225 605 | 247 140 |
| B | EC137 | Dr. A.B. Xuma | 192 980 | 191 661 | 200 313 | 314 787 | 267 364 | 282 016 |
| B | EC138 | Sakhisizwe | 88 464 | 88 012 | 91 985 | 188 758 | 126 455 | 141 318 |
| B | EC139 | Enoch Mgijima | 245 285 | 245 760 | 256 916 | 430 481 | 343 823 | 379 189 |
| C | DC13 | Chris Hani District Municipality | 780 418 | 827 670 | 865 112 | 1 233 738 | 1 409 432 | 1 606 145 |
| **Total: Chris Hani Municipalities** | | | **1 734 045** | **1 778 305** | **1 858 710** | **2 880 769** | **2 762 618** | **3 067 733** |
| B | EC141 | Elundini | 200 223 | 199 345 | 208 353 | 279 839 | 281 707 | 320 113 |
| B | EC142 | Senqu | 196 074 | 195 063 | 203 877 | 260 830 | 265 399 | 278 112 |
| B | EC145 | Walter Sisulu | 82 737 | 84 017 | 87 796 | 126 970 | 118 896 | 128 091 |
| C | DC14 | Joe Gqabi District Municipality | 399 080 | 422 725 | 441 851 | 742 720 | 863 153 | 922 803 |
| **Total: Joe Gqabi Municipalities** | | | **878 114** | **901 150** | **941 877** | **1 410 359** | **1 529 155** | **1 649 119** |
| B | EC153 | Ngquza Hill | 344 827 | 342 387 | 357 854 | 456 304 | 441 819 | 470 248 |
| B | EC154 | Port St Johns | 203 130 | 201 950 | 211 068 | 291 052 | 273 829 | 295 278 |
| B | EC155 | Nyandeni | 347 318 | 345 078 | 360 666 | 537 099 | 474 903 | 573 355 |
| B | EC156 | Mhlontlo | 239 367 | 237 386 | 248 101 | 369 351 | 359 176 | 334 910 |
| B | EC157 | King Sabata Dalindyebo | 464 894 | 466 344 | 487 511 | 666 320 | 634 085 | 669 684 |
| C | DC15 | O.R. Tambo District Municipality | 1 266 988 | 1 346 030 | 1 406 920 | 2 375 541 | 2 452 643 | 2 366 250 |
| **Total: O.R. Tambo Municipalities** | | | **2 866 524** | **2 939 175** | **3 072 120** | **4 695 667** | **4 636 455** | **4 709 725** |
| B | EC441 | Matatiele | 319 324 | 317 618 | 331 972 | 431 712 | 424 962 | 441 886 |
| B | EC442 | Umzimvubu | 288 295 | 286 246 | 299 173 | 430 849 | 389 061 | 411 236 |
| B | EC443 | Winnie Madikizela-Mandela | 357 855 | 355 590 | 371 655 | 513 499 | 471 910 | 484 081 |
| B | EC444 | Ntabankulu | 164 065 | 162 686 | 170 026 | 245 760 | 218 156 | 232 281 |
| C | DC44 | Alfred Nzo District Municipality | 826 799 | 877 892 | 917 607 | 1 491 172 | 1 607 940 | 1 713 627 |
| **Total: Alfred Nzo Municipalities** | | | **1 956 338** | **2 000 032** | **2 090 433** | **3 112 992** | **3 112 029** | **3 283 111** |
| **Total: Eastern Cape Municipalities** | | | **13 753 162** | **14 208 853** | **14 851 175** | **23 167 459** | **23 053 337** | **24 107 077** |

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

| Category | | Municipality | EQUITABLE SHARE[1] National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
|---|---|---|---|---|---|---|---|---|
| **FREE STATE** | | | | | | | | |
| A | MAN | Mangaung | 1 197 582 | 1 271 840 | 1 329 354 | 2 362 261 | 2 416 661 | 2 537 223 |
| B | FS161 | Letsemeng | 93 781 | 97 204 | 101 588 | 148 047 | 153 734 | 155 502 |
| B | FS162 | Kopanong | 122 114 | 126 524 | 132 231 | 187 818 | 190 616 | 197 309 |
| B | FS163 | Mohokare | 102 636 | 105 816 | 110 592 | 187 811 | 160 484 | 170 912 |
| C | DC16 | Xhariep District Municipality | 52 928 | 53 850 | 56 291 | 62 255 | 58 485 | 61 144 |
| **Total: Xhariep Municipalities** | | | **371 459** | **383 394** | **400 702** | **585 931** | **563 319** | **584 867** |
| B | FS181 | Masilonyana | 173 418 | 178 538 | 186 602 | 271 463 | 297 809 | 306 253 |
| B | FS182 | Tokologo | 81 778 | 84 075 | 87 867 | 184 258 | 202 190 | 205 729 |
| B | FS183 | Tswelopele | 105 964 | 108 938 | 113 851 | 147 691 | 155 515 | 167 468 |
| B | FS184 | Matjhabeng | 776 731 | 816 136 | 853 071 | 1 295 907 | 1 212 081 | 1 271 338 |
| B | FS185 | Nala | 168 883 | 174 242 | 182 105 | 240 833 | 246 806 | 254 797 |
| C | DC18 | Lejweleputswa District Municipality | 156 107 | 160 201 | 167 456 | 161 196 | 164 199 | 176 779 |
| **Total: Lejweleputswa Municipalities** | | | **1 462 881** | **1 522 130** | **1 590 952** | **2 301 348** | **2 278 600** | **2 382 364** |
| B | FS191 | Setsoto | 277 095 | 286 477 | 299 411 | 632 412 | 621 497 | 640 011 |
| B | FS192 | Dihlabeng | 259 084 | 270 940 | 283 206 | 396 192 | 413 115 | 444 962 |
| B | FS193 | Nketoana | 144 013 | 148 987 | 155 712 | 361 688 | 355 561 | 395 205 |
| B | FS194 | Maluti-a-Phofung | 878 511 | 904 431 | 945 424 | 1 320 249 | 1 340 389 | 1 393 081 |
| B | FS195 | Phumelela | 109 494 | 112 973 | 118 070 | 167 189 | 170 148 | 177 401 |
| B | FS196 | Mantsopa | 121 173 | 125 225 | 130 874 | 170 070 | 172 054 | 177 279 |
| C | DC19 | Thabo Mofutsanyana District Municipality | 141 227 | 143 749 | 150 264 | 153 315 | 154 198 | 162 517 |
| **Total: Thabo Mofutsanyana Municipalities** | | | **1 930 597** | **1 992 782** | **2 082 961** | **3 201 115** | **3 226 962** | **3 390 456** |
| B | FS201 | Moqhaka | 312 705 | 325 734 | 340 485 | 397 370 | 408 816 | 430 125 |
| B | FS203 | Ngwathe | 288 814 | 298 921 | 312 464 | 431 904 | 470 237 | 456 737 |
| B | FS204 | Metsimaholo | 313 545 | 329 814 | 344 739 | 403 883 | 422 861 | 444 427 |
| B | FS205 | Mafube | 140 967 | 145 579 | 152 150 | 203 041 | 248 185 | 250 881 |
| C | DC20 | Fezile Dabi District Municipality | 183 611 | 190 834 | 199 466 | 188 909 | 195 117 | 204 069 |
| **Total: Fezile Dabi Municipalities** | | | **1 239 642** | **1 290 882** | **1 349 304** | **1 625 107** | **1 745 216** | **1 786 239** |
| **Total: Free State Municipalities** | | | **6 202 161** | **6 461 028** | **6 753 273** | **10 075 762** | **10 230 758** | **10 681 149** |
| **GAUTENG** | | | | | | | | |
| A | EKU | City of Ekurhuleni | 5 950 244 | 6 319 198 | 6 604 955 | 9 113 092 | 9 508 774 | 9 963 833 |
| A | JHB | City of Johannesburg | 8 140 146 | 8 644 888 | 9 035 815 | 12 391 585 | 13 731 557 | 13 341 928 |
| A | TSH | City of Tshwane | 4 609 036 | 4 894 827 | 5 116 174 | 7 331 222 | 7 635 014 | 8 015 726 |
| B | GT421 | Emfuleni | 1 222 371 | 1 293 303 | 1 351 803 | 1 966 738 | 2 197 933 | 2 279 812 |
| B | GT422 | Midvaal | 184 733 | 196 031 | 204 856 | 345 955 | 320 422 | 343 805 |
| B | GT423 | Lesedi | 229 875 | 241 409 | 252 299 | 333 880 | 346 932 | 351 110 |
| C | DC42 | Sedibeng District Municipality | 320 303 | 332 642 | 347 690 | 331 543 | 342 328 | 352 710 |
| **Total: Sedibeng Municipalities** | | | **1 957 282** | **2 063 385** | **2 156 648** | **2 978 116** | **3 207 615** | **3 327 437** |
| B | GT481 | Mogale City | 696 434 | 739 617 | 773 063 | 1 042 954 | 1 005 877 | 1 075 441 |
| B | GT484 | Merafong City | 326 415 | 345 087 | 360 697 | 459 633 | 502 395 | 512 174 |
| B | GT485 | Rand West City | 497 947 | 526 106 | 549 906 | 767 677 | 867 946 | 896 361 |
| C | DC48 | West Rand District Municipality | 251 142 | 259 638 | 271 389 | 287 550 | 277 319 | 282 312 |
| **Total: West Rand Municipalities** | | | **1 771 938** | **1 870 448** | **1 955 055** | **2 557 814** | **2 653 537** | **2 766 288** |
| **Total: Gauteng Municipalities** | | | **22 428 646** | **23 792 746** | **24 868 647** | **34 371 829** | **36 736 497** | **37 415 212** |

**ANNEXURE W7**

**EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES**

| Category | | Municipality | EQUITABLE SHARE[1] National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
|---|---|---|---|---|---|---|---|---|
| **KWAZULU-NATAL** | | | | | | | | |
| A | ETH | eThekwini | 5 190 438 | 5 512 279 | 5 761 547 | 8 488 601 | 8 894 243 | 9 324 915 |
| B | KZN212 | uMdoni | 182 765 | 182 132 | 190 351 | 250 075 | 269 669 | 264 420 |
| B | KZN213 | uMzumbe | 169 550 | 167 994 | 175 573 | 228 929 | 224 053 | 234 101 |
| B | KZN214 | uMuziwabantu | 122 960 | 122 416 | 127 946 | 167 463 | 162 247 | 168 182 |
| B | KZN216 | Ray Nkonyeni | 308 440 | 311 402 | 325 529 | 481 130 | 441 349 | 454 310 |
| C | DC21 | Ugu District Municipality | 706 648 | 749 499 | 783 404 | 1 102 618 | 1 178 734 | 1 233 546 |
| **Total: Ugu Municipalities** | | | **1 490 363** | **1 533 443** | **1 602 803** | **2 230 215** | **2 276 052** | **2 354 559** |
| B | KZN221 | uMshwathi | 140 792 | 141 073 | 147 439 | 200 319 | 187 134 | 196 200 |
| B | KZN222 | uMngeni | 110 135 | 113 257 | 118 351 | 206 464 | 171 710 | 167 287 |
| B | KZN223 | Mpofana | 49 614 | 50 022 | 52 277 | 86 722 | 79 200 | 85 282 |
| B | KZN224 | iMpendle | 50 344 | 50 293 | 52 563 | 86 489 | 69 126 | 72 040 |
| B | KZN225 | Msunduzi | 877 312 | 926 722 | 968 645 | 1 350 167 | 1 484 665 | 1 568 055 |
| B | KZN226 | Mkhambathini | 87 953 | 87 957 | 91 932 | 127 715 | 122 689 | 123 850 |
| B | KZN227 | Richmond | 98 361 | 98 418 | 102 867 | 130 073 | 132 227 | 136 041 |
| C | DC22 | uMgungundlovu District Municipality | 788 577 | 831 328 | 868 929 | 1 025 775 | 1 077 709 | 1 122 289 |
| **Total: uMgungundlovu Municipalities** | | | **2 203 088** | **2 299 070** | **2 403 003** | **3 213 724** | **3 324 460** | **3 471 044** |
| B | KZN235 | Okhahlamba | 166 291 | 165 338 | 172 808 | 229 099 | 295 316 | 291 897 |
| B | KZN237 | iNkosi Langalibalele | 245 395 | 244 357 | 255 390 | 315 316 | 347 186 | 369 281 |
| B | KZN238 | Alfred Duma | 328 640 | 329 754 | 344 721 | 444 577 | 450 115 | 472 627 |
| C | DC23 | uThukela District Municipality | 650 756 | 690 588 | 721 829 | 976 926 | 1 034 810 | 1 093 276 |
| **Total: uThukela Municipalities** | | | **1 391 082** | **1 430 037** | **1 494 748** | **1 965 918** | **2 127 427** | **2 227 081** |
| B | KZN241 | eNdumeni | 72 758 | 74 106 | 77 446 | 147 750 | 105 369 | 106 226 |
| B | KZN242 | Nquthu | 187 504 | 186 005 | 194 404 | 249 004 | 244 115 | 264 493 |
| B | KZN244 | uMsinga | 231 369 | 230 138 | 240 534 | 318 045 | 297 794 | 313 001 |
| B | KZN245 | uMvoti | 187 232 | 187 510 | 195 984 | 229 041 | 257 916 | 275 409 |
| C | DC24 | uMzinyathi District Municipality | 550 411 | 584 003 | 610 422 | 876 894 | 934 192 | 977 591 |
| **Total: uMzinyathi Municipalities** | | | **1 229 274** | **1 261 762** | **1 318 790** | **1 820 734** | **1 839 386** | **1 936 720** |
| B | KZN252 | Newcastle | 564 171 | 586 466 | 613 028 | 855 046 | 931 291 | 928 972 |
| B | KZN253 | eMadlangeni | 39 891 | 39 853 | 41 646 | 89 794 | 66 323 | 78 669 |
| B | KZN254 | Dannhauser | 119 752 | 118 811 | 124 173 | 151 666 | 152 457 | 175 024 |
| C | DC25 | Amajuba District Municipality | 231 528 | 242 022 | 252 973 | 398 283 | 400 819 | 419 314 |
| **Total: Amajuba Municipalities** | | | **955 342** | **987 152** | **1 031 820** | **1 494 789** | **1 550 890** | **1 601 979** |
| B | KZN261 | eDumbe | 103 723 | 103 173 | 107 831 | 130 836 | 148 240 | 145 803 |
| B | KZN262 | uPhongolo | 192 088 | 191 486 | 200 141 | 247 937 | 239 927 | 260 145 |
| B | KZN263 | AbaQulusi | 217 623 | 218 270 | 228 177 | 360 353 | 316 268 | 303 752 |
| B | KZN265 | Nongoma | 208 990 | 206 769 | 216 102 | 255 537 | 256 501 | 278 472 |
| B | KZN266 | Ulundi | 215 361 | 212 833 | 222 440 | 259 533 | 268 010 | 326 140 |
| C | DC26 | Zululand District Municipality | 710 459 | 754 150 | 788 265 | 1 634 384 | 1 537 021 | 1 632 642 |
| **Total: Zululand Municipalities** | | | **1 648 244** | **1 686 681** | **1 762 956** | **2 888 580** | **2 765 967** | **2 946 954** |
| B | KZN271 | uMhlabuyalingana | 241 779 | 240 607 | 251 480 | 374 189 | 319 903 | 344 461 |
| B | KZN272 | Jozini | 258 138 | 256 377 | 267 961 | 386 830 | 333 032 | 388 181 |
| B | KZN275 | Inkosi uMtubatuba | 243 711 | 241 964 | 252 894 | 290 020 | 304 240 | 332 502 |
| B | KZN276 | Big Five Hlabisa | 154 190 | 153 172 | 160 093 | 191 587 | 196 622 | 215 291 |
| C | DC27 | uMkhanyakude District Municipality | 657 203 | 697 528 | 729 084 | 1 158 694 | 1 440 750 | 1 504 303 |
| **Total: uMkhanyakude Municipalities** | | | **1 555 021** | **1 589 648** | **1 661 512** | **2 401 320** | **2 594 547** | **2 784 738** |
| B | KZN281 | uMfolozi | 184 853 | 183 335 | 191 616 | 235 067 | 243 472 | 255 820 |
| B | KZN282 | uMhlathuze | 585 884 | 612 883 | 640 629 | 851 302 | 859 527 | 889 206 |
| B | KZN284 | uMlalazi | 252 590 | 250 851 | 262 170 | 320 301 | 343 772 | 345 333 |
| B | KZN285 | Mthonjaneni | 102 124 | 101 135 | 105 696 | 149 333 | 133 684 | 139 507 |
| B | KZN286 | Nkandla | 125 157 | 124 030 | 129 627 | 174 610 | 165 255 | 177 468 |
| C | DC28 | King Cetshwayo District Municipality | 759 469 | 801 943 | 838 210 | 1 250 890 | 1 262 763 | 1 404 673 |
| **Total: King Cetshwayo Municipalities** | | | **2 010 077** | **2 074 177** | **2 167 948** | **2 981 503** | **3 008 473** | **3 212 007** |
| B | KZN291 | Mandeni | 244 198 | 243 909 | 254 934 | 296 040 | 302 682 | 330 421 |
| B | KZN292 | KwaDukuza | 289 206 | 297 144 | 310 604 | 368 988 | 382 254 | 399 392 |
| B | KZN293 | Ndwedwe | 203 077 | 201 732 | 210 844 | 254 605 | 253 138 | 263 177 |
| B | KZN294 | Maphumulo | 119 392 | 118 702 | 124 062 | 189 460 | 205 592 | 186 226 |
| C | DC29 | iLembe District Municipality | 836 610 | 888 937 | 929 146 | 1 173 113 | 1 248 241 | 1 306 471 |
| **Total: iLembe Municipalities** | | | **1 692 483** | **1 750 424** | **1 829 590** | **2 282 206** | **2 391 907** | **2 485 687** |
| B | KZN433 | Greater Kokstad | 87 720 | 88 864 | 92 867 | 135 043 | 120 562 | 124 580 |
| B | KZN434 | Johannes Phumani Phungula | 145 967 | 145 116 | 151 669 | 198 238 | 197 877 | 202 461 |
| B | KZN435 | uMzimkhulu | 258 619 | 257 352 | 268 981 | 321 437 | 376 518 | 349 133 |
| B | KZN436 | Dr Nkosazana Dlamini Zuma | 170 119 | 169 227 | 176 873 | 214 560 | 215 033 | 227 736 |
| C | DC43 | Harry Gwala District Municipality | 520 871 | 552 451 | 577 444 | 867 447 | 932 234 | 975 752 |
| **Total: Harry Gwala Municipalities** | | | **1 183 296** | **1 213 010** | **1 267 834** | **1 736 725** | **1 842 224** | **1 879 662** |
| **Total: KwaZulu-Natal Municipalities** | | | **20 548 708** | **21 337 683** | **22 302 551** | **31 504 315** | **32 615 576** | **34 225 346** |

**ANNEXURE W7**

**EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES**

| Category | | Municipality | EQUITABLE SHARE[1] National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
|---|---|---|---|---|---|---|---|---|
| **LIMPOPO** | | | | | | | | |
| B | LIM331 | Greater Giyani | 395 772 | 393 730 | 411 529 | 505 694 | 498 668 | 538 206 |
| B | LIM332 | Greater Letaba | 385 207 | 383 494 | 400 830 | 492 469 | 477 627 | 500 097 |
| B | LIM333 | Greater Tzaneen | 555 351 | 556 034 | 581 276 | 714 820 | 724 543 | 761 269 |
| B | LIM334 | Ba-Phalaborwa | 217 276 | 217 139 | 226 946 | 268 192 | 299 257 | 310 054 |
| B | LIM335 | Maruleng | 173 600 | 172 943 | 180 759 | 216 102 | 215 788 | 226 994 |
| C | DC33 | Mopani District Municipality | 1 427 429 | 1 517 993 | 1 586 656 | 2 485 776 | 2 781 496 | 2 973 553 |
| **Total: Mopani Municipalities** | | | **3 154 635** | **3 241 333** | **3 387 996** | **4 683 053** | **4 997 379** | **5 310 173** |
| B | LIM341 | Musina | 232 657 | 234 498 | 245 105 | 274 409 | 290 072 | 302 487 |
| B | LIM343 | Thulamela | 624 846 | 624 329 | 652 565 | 845 394 | 828 158 | 857 869 |
| B | LIM344 | Makhado | 512 943 | 513 230 | 536 530 | 680 191 | 650 148 | 685 985 |
| B | LIM345 | Collins Chabane | 513 377 | 511 779 | 534 922 | 636 687 | 645 475 | 681 713 |
| C | DC34 | Vhembe District Municipality | 1 567 856 | 1 668 368 | 1 743 836 | 2 393 586 | 2 682 564 | 2 808 189 |
| **Total: Vhembe Municipalities** | | | **3 451 679** | **3 552 204** | **3 712 958** | **4 830 267** | **5 096 417** | **5 336 243** |
| B | LIM351 | Blouberg | 245 311 | 243 904 | 254 923 | 324 089 | 329 690 | 342 167 |
| B | LIM353 | Molemole | 186 922 | 185 928 | 194 330 | 274 854 | 246 297 | 262 768 |
| B | LIM354 | Polokwane | 1 481 181 | 1 548 132 | 1 618 222 | 2 443 537 | 2 693 827 | 2 737 683 |
| B | LIM355 | Lepele-Nkumpi | 334 363 | 331 775 | 346 767 | 423 796 | 424 789 | 440 593 |
| C | DC35 | Capricorn District Municipality | 856 194 | 902 666 | 943 499 | 1 294 602 | 1 347 826 | 1 412 277 |
| **Total: Capricorn Municipalities** | | | **3 103 971** | **3 212 405** | **3 357 741** | **4 760 878** | **5 042 429** | **5 195 488** |
| B | LIM361 | Thabazimbi | 155 651 | 164 825 | 172 248 | 321 238 | 292 615 | 309 797 |
| B | LIM362 | Lephalale | 254 203 | 265 671 | 277 699 | 399 535 | 438 181 | 437 116 |
| B | LIM366 | Bela-Bela | 144 284 | 150 131 | 156 905 | 290 836 | 292 094 | 300 712 |
| B | LIM367 | Mogalakwena | 627 028 | 644 158 | 673 359 | 1 079 349 | 1 012 027 | 1 001 515 |
| B | LIM368 | Modimolle-Mookgophong | 162 022 | 168 891 | 176 538 | 352 402 | 345 826 | 359 187 |
| C | DC36 | Waterberg District Municipality | 158 221 | 162 671 | 170 036 | 164 821 | 173 485 | 181 168 |
| **Total: Waterberg Municipalities** | | | **1 501 409** | **1 556 347** | **1 626 785** | **2 608 181** | **2 554 228** | **2 589 494** |
| B | LIM471 | Ephraim Mogale | 201 450 | 200 603 | 209 670 | 260 570 | 252 503 | 267 751 |
| B | LIM472 | Elias Motsoaledi | 375 890 | 373 396 | 390 275 | 495 029 | 463 902 | 490 208 |
| B | LIM473 | Makhuduthamaga | 361 580 | 359 305 | 375 542 | 462 094 | 464 670 | 493 051 |
| B | LIM476 | Fetakgomo Tubatse | 615 561 | 612 026 | 639 826 | 822 171 | 808 159 | 866 517 |
| C | DC47 | Sekhukhune District Municipality | 1 209 760 | 1 285 864 | 1 344 030 | 1 961 988 | 1 975 281 | 2 067 575 |
| **Total: Sekhukhune Municipalities** | | | **2 764 241** | **2 831 194** | **2 959 343** | **4 001 852** | **3 964 515** | **4 185 102** |
| **Total: Limpopo Municipalities** | | | **13 975 935** | **14 393 483** | **15 044 823** | **20 884 231** | **21 654 968** | **22 616 500** |
| **MPUMALANGA** | | | | | | | | |
| B | MP301 | Chief Albert Luthuli | 455 222 | 467 064 | 488 170 | 894 554 | 919 772 | 952 977 |
| B | MP302 | Msukaligwa | 285 986 | 300 145 | 313 730 | 461 486 | 569 964 | 602 882 |
| B | MP303 | Mkhondo | 366 077 | 378 280 | 395 368 | 677 556 | 607 962 | 633 675 |
| B | MP304 | Dr Pixley ka Isaka Seme | 172 696 | 177 909 | 185 942 | 251 826 | 268 819 | 278 118 |
| B | MP305 | Lekwa | 189 719 | 199 105 | 208 117 | 425 517 | 348 062 | 359 928 |
| B | MP306 | Dipaleseng | 109 806 | 113 360 | 118 480 | 148 135 | 209 526 | 219 224 |
| B | MP307 | Govan Mbeki | 492 462 | 522 997 | 546 648 | 637 771 | 654 863 | 688 737 |
| C | DC30 | Gert Sibande District Municipality | 346 259 | 360 387 | 376 687 | 384 152 | 379 525 | 396 152 |
| **Total: Gert Sibande Municipalities** | | | **2 418 227** | **2 519 247** | **2 633 142** | **3 880 997** | **3 958 493** | **4 131 693** |
| B | MP311 | Victor Khanye | 157 131 | 163 869 | 171 264 | 230 177 | 207 435 | 218 272 |
| B | MP312 | Emalahleni | 645 069 | 685 067 | 716 046 | 891 020 | 925 794 | 972 290 |
| B | MP313 | Steve Tshwete | 376 470 | 399 813 | 417 893 | 473 001 | 539 478 | 568 663 |
| B | MP314 | Emakhazeni | 96 841 | 100 552 | 105 084 | 164 767 | 185 408 | 186 385 |
| B | MP315 | Thembisile Hani | 609 976 | 627 342 | 655 779 | 1 260 212 | 1 119 230 | 1 147 307 |
| B | MP316 | Dr JS Moroka | 531 174 | 542 275 | 566 783 | 735 468 | 772 997 | 861 488 |
| C | DC31 | Nkangala District Municipality | 424 084 | 440 950 | 460 896 | 435 114 | 449 823 | 470 089 |
| **Total: Nkangala Municipalities** | | | **2 840 745** | **2 959 868** | **3 093 745** | **4 189 759** | **4 200 165** | **4 424 494** |
| B | MP321 | Thaba Chweu | 233 841 | 244 747 | 255 788 | 368 539 | 411 144 | 428 827 |
| B | MP324 | Nkomazi | 864 636 | 890 463 | 930 823 | 1 316 895 | 1 280 942 | 1 338 319 |
| B | MP325 | Bushbuckridge | 1 151 556 | 1 183 178 | 1 236 813 | 1 711 180 | 1 838 693 | 1 903 289 |
| B | MP326 | City of Mbombela | 1 182 249 | 1 238 155 | 1 294 202 | 1 827 734 | 1 858 477 | 1 943 609 |
| C | DC32 | Ehlanzeni District Municipality | 309 567 | 317 820 | 332 213 | 318 352 | 324 903 | 340 625 |
| **Total: Ehlanzeni Municipalities** | | | **3 741 849** | **3 874 363** | **4 049 839** | **5 542 700** | **5 714 159** | **5 954 669** |
| **Total: Mpumalanga Municipalities** | | | **9 000 821** | **9 353 478** | **9 776 726** | **13 613 456** | **13 872 817** | **14 510 856** |

**ANNEXURE W7**

**EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES**

| | | | EQUITABLE SHARE[1] | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTHERN CAPE** | | | | | | | | |
| B | NC061 | Richtersveld | 27 494 | 28 349 | 29 618 | 48 345 | 40 313 | 60 994 |
| B | NC062 | Nama Khoi | 70 976 | 74 211 | 77 546 | 103 010 | 116 540 | 131 302 |
| B | NC064 | Kamiesberg | 34 449 | 35 030 | 36 603 | 45 628 | 47 576 | 49 467 |
| B | NC065 | Hantam | 37 702 | 39 326 | 41 088 | 62 900 | 75 747 | 84 053 |
| B | NC066 | Karoo Hoogland | 35 879 | 37 040 | 38 701 | 81 853 | 50 542 | 52 586 |
| B | NC067 | Khâi-Ma | 29 846 | 30 690 | 32 065 | 59 692 | 89 337 | 63 111 |
| C | DC6 | Namakwa District Municipality | 60 495 | 62 479 | 65 307 | 65 899 | 68 139 | 71 226 |
| **Total: Namakwa Municipalities** | | | **296 841** | **307 125** | **320 928** | **467 327** | **488 194** | **512 739** |
| B | NC071 | Ubuntu | 53 718 | 55 080 | 57 561 | 139 653 | 88 470 | 80 552 |
| B | NC072 | Umsobomvu | 75 927 | 78 164 | 81 688 | 117 414 | 95 291 | 115 507 |
| B | NC073 | Emthanjeni | 66 014 | 68 584 | 71 668 | 110 023 | 117 833 | 103 359 |
| B | NC074 | Kareeberg | 38 265 | 39 006 | 40 759 | 51 334 | 58 423 | 70 891 |
| B | NC075 | Renosterberg | 36 674 | 37 458 | 39 143 | 58 166 | 62 148 | 52 158 |
| B | NC076 | Thembelihle | 38 960 | 39 871 | 41 662 | 58 342 | 55 102 | 72 343 |
| B | NC077 | Siyathemba | 49 712 | 51 220 | 53 525 | 85 725 | 85 068 | 71 944 |
| B | NC078 | Siyancuma | 68 310 | 70 453 | 73 626 | 138 010 | 123 204 | 129 427 |
| C | DC7 | Pixley Ka Seme District Municipality | 64 298 | 65 476 | 68 443 | 70 881 | 71 167 | 74 399 |
| **Total: Pixley Ka Seme Municipalities** | | | **491 878** | **505 312** | **528 075** | **829 548** | **756 706** | **770 580** |
| B | NC082 | !Kai !Garib | 134 467 | 141 097 | 147 456 | 215 901 | 187 124 | 193 696 |
| B | NC084 | !Kheis | 37 617 | 38 432 | 40 157 | 62 651 | 68 129 | 60 576 |
| B | NC085 | Tsantsabane | 61 881 | 64 676 | 67 585 | 129 312 | 105 794 | 97 812 |
| B | NC086 | Kgatelopele | 36 756 | 38 188 | 39 902 | 68 568 | 52 353 | 54 461 |
| B | NC087 | Dawid Kruiper | 132 416 | 139 518 | 145 784 | 312 622 | 320 214 | 323 756 |
| C | DC8 | Z.F. Mgcawu District Municipality | 85 135 | 87 546 | 91 510 | 90 970 | 92 361 | 96 583 |
| **Total: Z.F. Mgcawu Municipalities** | | | **488 272** | **509 457** | **532 394** | **880 024** | **825 975** | **826 884** |
| B | NC091 | Sol Plaatjie | 301 722 | 319 228 | 333 668 | 1 037 572 | 1 011 233 | 933 806 |
| B | NC092 | Dikgatlong | 126 626 | 130 021 | 135 893 | 177 704 | 170 570 | 173 928 |
| B | NC093 | Magareng | 66 283 | 67 668 | 70 720 | 103 213 | 104 102 | 109 511 |
| B | NC094 | Phokwane | 146 309 | 150 295 | 157 081 | 220 529 | 234 940 | 251 691 |
| C | DC9 | Frances Baard District Municipality | 143 719 | 149 126 | 155 873 | 153 069 | 158 417 | 165 402 |
| **Total: Frances Baard Municipalities** | | | **784 659** | **816 338** | **853 235** | **1 692 087** | **1 679 262** | **1 634 338** |
| B | NC451 | Joe Morolong | 194 285 | 197 698 | 206 627 | 323 076 | 332 393 | 356 409 |
| B | NC452 | Ga-Segonyana | 251 740 | 258 554 | 270 234 | 455 830 | 407 070 | 469 099 |
| B | NC453 | Gamagara | 70 911 | 75 228 | 78 608 | 98 240 | 128 679 | 137 560 |
| C | DC45 | John Taolo Gaetsewe District Municipality | 112 384 | 116 002 | 121 254 | 120 009 | 124 134 | 129 595 |
| **Total: John Taolo Gaetsewe Municipalities** | | | **629 320** | **647 482** | **676 723** | **997 155** | **992 276** | **1 092 663** |
| **Total: Northern Cape Municipalities** | | | **2 690 970** | **2 785 714** | **2 911 355** | **4 866 141** | **4 742 413** | **4 837 204** |
| **NORTH WEST** | | | | | | | | |
| B | NW371 | Moretele | 479 741 | 490 420 | 512 589 | 758 837 | 768 618 | 810 871 |
| B | NW372 | Madibeng | 1 183 275 | 1 237 523 | 1 293 548 | 1 638 894 | 1 733 463 | 1 837 430 |
| B | NW373 | Rustenburg | 1 237 278 | 1 313 997 | 1 373 417 | 1 891 327 | 1 946 902 | 2 042 114 |
| B | NW374 | Kgetlengrivier | 144 387 | 150 212 | 156 996 | 199 945 | 223 865 | 218 709 |
| B | NW375 | Moses Kotane | 615 410 | 630 781 | 659 284 | 865 394 | 898 503 | 1 069 563 |
| C | DC37 | Bojanala Platinum District Municipality | 418 202 | 431 687 | 451 229 | 424 463 | 436 586 | 456 358 |
| **Total: Bojanala Platinum Municipalities** | | | **4 078 293** | **4 254 620** | **4 447 063** | **5 778 860** | **6 007 937** | **6 435 045** |
| B | NW381 | Ratlou | 168 617 | 168 031 | 175 624 | 211 425 | 211 939 | 218 901 |
| B | NW382 | Tswaing | 161 456 | 162 076 | 169 394 | 206 711 | 246 631 | 218 473 |
| B | NW383 | Mafikeng | 384 323 | 386 536 | 404 077 | 538 252 | 554 338 | 540 646 |
| B | NW384 | Ditsobotla | 188 959 | 191 216 | 199 888 | 245 255 | 270 879 | 276 721 |
| B | NW385 | Ramotshere Moiloa | 244 281 | 243 688 | 254 702 | 348 270 | 309 553 | 315 784 |
| C | DC38 | Ngaka Modiri Molema District Municipality | 1 178 333 | 1 251 331 | 1 307 925 | 1 742 005 | 1 853 052 | 1 937 023 |
| **Total: Ngaka Modiri Molema Municipalities** | | | **2 325 969** | **2 402 878** | **2 511 610** | **3 291 918** | **3 446 392** | **3 507 548** |
| B | NW392 | Naledi | 74 221 | 75 278 | 78 667 | 143 752 | 119 868 | 116 827 |
| B | NW393 | Mamusa | 76 360 | 76 645 | 80 103 | 103 865 | 110 761 | 118 980 |
| B | NW394 | Greater Taung | 255 808 | 254 050 | 265 525 | 390 268 | 351 539 | 346 824 |
| B | NW396 | Lekwa-Teemane | 69 843 | 70 454 | 73 631 | 109 065 | 92 494 | 99 882 |
| B | NW397 | Kagisano-Molopo | 160 479 | 159 588 | 166 797 | 218 006 | 228 561 | 219 885 |
| C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | 536 572 | 568 513 | 594 232 | 1 290 738 | 1 280 284 | 1 318 403 |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | | **1 173 283** | **1 204 528** | **1 258 955** | **2 255 694** | **2 183 507** | **2 220 801** |
| B | NW403 | City of Matlosana | 682 357 | 719 110 | 751 647 | 944 098 | 970 022 | 995 036 |
| B | NW404 | Maquassi Hills | 189 119 | 195 331 | 204 152 | 298 322 | 319 116 | 320 978 |
| B | NW405 | JB Marks | 438 648 | 463 132 | 484 084 | 656 296 | 720 720 | 762 199 |
| C | DC40 | Dr Kenneth Kaunda District Municipality | 225 076 | 233 146 | 243 695 | 235 271 | 241 362 | 248 147 |
| **Total: Dr Kenneth Kaunda Municipalities** | | | **1 535 200** | **1 610 719** | **1 683 578** | **2 133 987** | **2 251 220** | **2 326 360** |
| **Total: North West Municipalities** | | | **9 112 745** | **9 472 745** | **9 901 206** | **13 460 459** | **13 889 056** | **14 489 754** |

## ANNEXURE W7

## EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

| Category | | Municipality | EQUITABLE SHARE[1] | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| | | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **WESTERN CAPE** | | | | | | | | |
| A | CPT | City of Cape Town | 4 693 517 | 4 984 545 | 5 209 949 | 9 588 493 | 9 958 287 | 8 896 514 |
| B | WC011 | Matzikama | 87 329 | 92 419 | 96 577 | 186 197 | 163 065 | 163 670 |
| B | WC012 | Cederberg | 75 765 | 79 593 | 83 179 | 183 431 | 165 413 | 174 846 |
| B | WC013 | Bergrivier | 73 095 | 77 558 | 81 046 | 103 807 | 100 552 | 109 914 |
| B | WC014 | Saldanha Bay | 148 477 | 157 408 | 164 489 | 175 372 | 193 024 | 201 580 |
| B | WC015 | Swartland | 165 310 | 175 560 | 183 499 | 232 922 | 225 521 | 235 598 |
| C | DC1 | West Coast District Municipality | 112 557 | 116 191 | 121 450 | 118 193 | 120 494 | 125 992 |
| **Total: West Coast Municipalities** | | | **662 533** | **698 729** | **730 240** | **999 922** | **968 069** | **1 011 600** |
| B | WC022 | Witzenberg | 156 647 | 166 360 | 173 883 | 192 620 | 197 725 | 210 974 |
| B | WC023 | Drakenstein | 248 963 | 264 400 | 276 357 | 865 038 | 551 867 | 355 212 |
| B | WC024 | Stellenbosch | 231 793 | 246 166 | 257 298 | 312 521 | 311 637 | 319 107 |
| B | WC025 | Breede Valley | 187 489 | 199 115 | 208 119 | 270 318 | 297 030 | 282 521 |
| B | WC026 | Langeberg | 121 625 | 128 686 | 134 475 | 185 268 | 174 131 | 172 315 |
| C | DC2 | Cape Winelands District Municipality | 273 881 | 285 531 | 298 444 | 279 513 | 290 028 | 303 189 |
| **Total: Cape Winelands Municipalities** | | | **1 220 398** | **1 290 258** | **1 348 576** | **2 105 278** | **1 822 418** | **1 643 318** |
| B | WC031 | Theewaterskloof | 150 030 | 158 221 | 165 379 | 187 812 | 203 396 | 209 414 |
| B | WC032 | Overstrand | 179 268 | 188 717 | 197 218 | 260 073 | 254 660 | 238 693 |
| B | WC033 | Cape Agulhas | 45 807 | 48 275 | 50 443 | 61 818 | 65 352 | 68 111 |
| B | WC034 | Swellendam | 49 412 | 52 116 | 54 458 | 117 631 | 95 140 | 78 565 |
| C | DC3 | Overberg District Municipality | 88 359 | 90 667 | 94 774 | 93 966 | 95 116 | 99 469 |
| **Total: Overberg Municipalities** | | | **512 876** | **537 996** | **562 272** | **721 300** | **713 664** | **694 252** |
| B | WC041 | Kannaland | 38 962 | 40 378 | 42 196 | 106 035 | 56 127 | 95 178 |
| B | WC042 | Hessequa | 67 378 | 71 173 | 74 368 | 87 000 | 92 885 | 100 896 |
| B | WC043 | Mossel Bay | 148 459 | 156 434 | 163 471 | 194 732 | 194 303 | 202 941 |
| B | WC044 | George | 247 778 | 263 142 | 275 041 | 596 359 | 480 223 | 502 932 |
| B | WC045 | Oudtshoorn | 108 291 | 113 336 | 118 431 | 152 328 | 152 930 | 159 413 |
| B | WC047 | Bitou | 161 287 | 167 903 | 175 487 | 192 337 | 209 319 | 221 001 |
| B | WC048 | Knysna | 137 908 | 144 582 | 151 096 | 204 034 | 195 977 | 218 494 |
| C | DC4 | Garden Route District Municipality | 188 026 | 194 908 | 203 727 | 194 162 | 199 081 | 212 133 |
| **Total: Garden Route Municipalities** | | | **1 098 089** | **1 151 856** | **1 203 817** | **1 726 987** | **1 580 845** | **1 712 988** |
| B | WC051 | Laingsburg | 23 296 | 23 924 | 24 999 | 63 496 | 36 136 | 54 355 |
| B | WC052 | Prince Albert | 31 301 | 32 286 | 33 738 | 41 397 | 49 970 | 47 638 |
| B | WC053 | Beaufort West | 92 780 | 96 452 | 100 801 | 209 395 | 154 017 | 126 121 |
| C | DC5 | Central Karoo District Municipality | 39 084 | 39 585 | 41 389 | 43 712 | 43 140 | 45 205 |
| **Total: Central Karoo Municipalities** | | | **186 461** | **192 247** | **200 927** | **358 000** | **283 263** | **273 319** |
| **Total: Western Cape Municipalities** | | | **8 373 874** | **8 855 631** | **9 255 781** | **15 499 980** | **15 326 546** | **14 231 991** |
| Unallocated | | | - | - | - | 395 054 | 3 235 400 | 3 492 696 |
| **National Total** | | | **106 087 022** | **110 661 361** | **115 665 537** | **167 838 686** | **175 357 368** | **180 607 786** |

*1. Includes equitable share formula allocations, RSC levies replacement and special contribution towards councillor remuneration, but excludes the sharing of the general fuel levy with metropolitan municipalities. (See Appendix W1)*

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

**(National and Municipal Financial Years)**

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

| | | Equitable Share Formula | | | RSC Levies Replacement | | | Special Support for Councillor Remuneration and Ward Committees | | | BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES | | | | | | | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | Water | Sanitation | Refuse | Water | Sanitation | Refuse | Water | Sanitation | Refuse | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| | | | | | | | | | | | 2025/26 R'(000) | | | 2026/27 R'(000) | | | 2027/28 R'(000) | | | | | |
| **EASTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A | BUF Buffalo City | 1 296 018 | 1 365 808 | 1 427 605 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 296 018 | 1 365 808 | 1 427 605 |
| A | NMA Nelson Mandela Bay | 1 637 749 | 1 739 300 | 1 817 952 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 637 749 | 1 739 300 | 1 817 952 |
| B | EC101 Dr Beyers Naude | 120 831 | 125 286 | 130 962 | - | - | - | 5 715 | 5 945 | 6 181 | - | - | - | - | - | - | - | - | - | 126 546 | 131 231 | 137 143 |
| B | EC102 Blue Crane Route | 70 654 | 72 761 | 76 058 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 73 464 | 75 684 | 79 097 |
| B | EC104 Makana | 128 592 | 133 402 | 139 445 | - | - | - | 6 460 | 6 718 | 6 984 | - | - | - | - | - | - | - | - | - | 135 052 | 140 120 | 146 429 |
| B | EC105 Ndlambe | 137 356 | 142 336 | 148 784 | - | - | - | 4 763 | 4 954 | 5 151 | - | - | - | - | - | - | - | - | - | 142 119 | 147 290 | 153 935 |
| B | EC106 Sundays River Valley | 118 973 | 123 707 | 129 310 | - | - | - | 3 810 | 3 963 | 4 121 | - | - | - | - | - | - | - | - | - | 122 783 | 127 670 | 133 431 |
| B | EC108 Kouga | 196 389 | 205 987 | 215 310 | - | - | - | 7 144 | 7 431 | 7 727 | - | - | - | - | - | - | - | - | - | 203 533 | 213 418 | 223 037 |
| B | EC109 Kou-Kamma | 68 968 | 71 656 | 74 902 | - | - | - | 3 033 | 3 156 | 3 282 | - | - | - | - | - | - | - | - | - | 72 001 | 74 812 | 78 184 |
| C | DC10 Sarah Baartman District Municipality | 35 551 | 35 144 | 36 741 | 77 750 | 81 102 | 84 770 | - | - | - | - | - | - | - | - | - | - | - | - | 113 301 | 116 246 | 121 511 |
| **Total: Sarah Baartman Municipalities** | | **877 314** | **910 279** | **951 512** | **77 750** | **81 102** | **84 770** | **33 735** | **35 090** | **36 485** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **988 799** | **1 026 471** | **1 072 767** |
| B | EC121 Mbhashe | 310 176 | 307 159 | 321 116 | - | - | - | 15 032 | 15 635 | 16 256 | 118 381 | 74 072 | - | 128 815 | 77 479 | - | 134 640 | 80 983 | - | 325 208 | 322 794 | 337 372 |
| B | EC122 Mnquma | 323 763 | 320 594 | 335 162 | - | - | - | 15 032 | 15 635 | 16 256 | 123 437 | 77 235 | - | 134 317 | 80 788 | - | 140 391 | 84 442 | - | 338 795 | 336 229 | 351 418 |
| B | EC123 Great Kei | 51 954 | 51 660 | 54 006 | - | - | - | 3 315 | 3 449 | 3 586 | 16 141 | 10 099 | - | 17 563 | 10 564 | - | 18 357 | 11 042 | - | 55 269 | 55 109 | 57 592 |
| B | EC124 Amahlathi | 130 376 | 129 144 | 135 012 | - | - | - | 7 144 | 7 431 | 7 727 | 46 363 | 29 010 | - | 50 450 | 30 344 | - | 52 731 | 31 716 | - | 137 520 | 136 575 | 142 739 |
| B | EC126 Ngqushwa | 101 890 | 101 005 | 105 594 | - | - | - | 5 507 | 5 727 | 5 954 | 34 972 | 21 882 | - | 38 054 | 22 888 | - | 39 775 | 23 924 | - | 107 397 | 106 732 | 111 548 |
| B | EC129 Raymond Mhlaba | 214 311 | 212 083 | 221 721 | - | - | - | 10 746 | 11 177 | 11 620 | 78 645 | 49 208 | - | 85 576 | 51 472 | - | 89 446 | 53 799 | - | 225 057 | 223 260 | 233 341 |
| C | DC12 Amathole District Municipality | 679 446 | 728 311 | 761 246 | 526 883 | 549 602 | 574 455 | - | - | - | - | - | - | - | - | - | - | - | - | 1 206 329 | 1 277 913 | 1 335 701 |
| **Total: Amathole Municipalities** | | **1 811 916** | **1 849 956** | **1 933 857** | **526 883** | **549 602** | **574 455** | **56 776** | **59 054** | **61 399** | **417 939** | **261 507** | **-** | **454 775** | **273 536** | **-** | **475 340** | **285 905** | **-** | **2 395 575** | **2 458 612** | **2 569 711** |
| B | EC131 Inxuba Yethemba | 54 660 | 55 423 | 57 936 | - | - | - | 4 286 | 4 459 | 4 636 | 28 630 | 17 914 | - | 31 154 | 18 738 | - | 32 563 | 19 586 | - | 58 946 | 59 882 | 62 572 |
| B | EC135 Intsika Yethu | 197 119 | 195 258 | 204 130 | - | - | - | 10 002 | 10 404 | 10 817 | 73 181 | 45 790 | - | 79 631 | 47 896 | - | 83 232 | 50 062 | - | 207 121 | 205 662 | 214 947 |
| B | EC136 Emalahleni | 152 735 | 151 236 | 158 108 | - | - | - | 8 096 | 8 422 | 8 757 | 54 786 | 34 280 | - | 59 615 | 35 857 | - | 62 311 | 37 478 | - | 160 831 | 159 658 | 166 865 |
| B | EC137 Dr. A.B. Xuma | 183 094 | 181 375 | 189 616 | - | - | - | 9 886 | 10 286 | 10 697 | 67 517 | 42 245 | - | 73 467 | 44 189 | - | 76 789 | 46 187 | - | 192 980 | 191 661 | 200 313 |
| B | EC138 Sakhisizwe | 84 386 | 83 771 | 87 577 | - | - | - | 4 078 | 4 241 | 4 408 | 28 345 | 17 735 | - | 30 843 | 18 551 | - | 32 238 | 19 390 | - | 88 464 | 88 012 | 91 985 |
| B | EC139 Enoch Mgijima | 245 285 | 245 760 | 256 916 | - | - | - | - | - | - | 115 135 | 72 040 | - | 125 283 | 75 354 | - | 130 948 | 78 762 | - | 245 285 | 245 760 | 256 916 |
| C | DC13 Chris Hani District Municipality | 658 648 | 700 650 | 732 348 | 121 770 | 127 020 | 132 764 | - | - | - | - | - | - | - | - | - | - | - | - | 780 418 | 827 670 | 865 112 |
| **Total: Chris Hani Municipalities** | | **1 575 927** | **1 613 473** | **1 686 631** | **121 770** | **127 020** | **132 764** | **36 348** | **37 812** | **39 315** | **367 594** | **230 006** | **-** | **399 993** | **240 586** | **-** | **418 081** | **251 465** | **-** | **1 734 045** | **1 778 305** | **1 858 710** |
| B | EC141 Elundini | 192 127 | 190 923 | 199 596 | - | - | - | 8 096 | 8 422 | 8 757 | 74 868 | 46 846 | - | 81 467 | 49 000 | - | 85 151 | 51 216 | - | 200 223 | 199 345 | 208 353 |
| B | EC142 Senqu | 187 978 | 186 641 | 195 120 | - | - | - | 8 096 | 8 422 | 8 757 | 72 001 | 45 052 | - | 78 347 | 47 124 | - | 81 890 | 49 255 | - | 196 074 | 195 063 | 203 877 |
| B | EC145 Walter Sisulu | 77 177 | 78 232 | 81 779 | - | - | - | 5 560 | 5 785 | 6 017 | 41 032 | 25 674 | - | 44 649 | 26 855 | - | 46 668 | 28 070 | - | 82 737 | 84 017 | 87 796 |
| C | DC14 Joe Gqabi District Municipality | 346 065 | 367 424 | 384 049 | 53 015 | 55 301 | 57 802 | - | - | - | - | - | - | - | - | - | - | - | - | 399 080 | 422 725 | 441 851 |
| **Total: Joe Gqabi Municipalities** | | **803 347** | **823 220** | **860 544** | **53 015** | **55 301** | **57 802** | **21 752** | **22 629** | **23 531** | **187 902** | **117 571** | **-** | **204 463** | **122 979** | **-** | **213 709** | **128 541** | **-** | **878 114** | **901 150** | **941 877** |
| B | EC153 Ngquza Hill | 329 587 | 326 534 | 341 371 | - | - | - | 15 240 | 15 853 | 16 483 | 127 056 | 79 500 | - | 138 254 | 83 157 | - | 144 506 | 86 917 | - | 344 827 | 342 387 | 357 854 |
| B | EC154 Port St Johns | 193 813 | 192 259 | 200 994 | - | - | - | 9 317 | 9 691 | 10 074 | 73 609 | 46 058 | - | 80 097 | 48 176 | - | 83 719 | 50 355 | - | 203 130 | 201 950 | 211 068 |
| B | EC155 Nyandeni | 332 078 | 329 225 | 344 183 | - | - | - | 15 240 | 15 853 | 16 483 | 129 661 | 81 130 | - | 141 089 | 84 861 | - | 147 469 | 88 699 | - | 347 318 | 345 078 | 360 666 |
| B | EC156 Mhlontlo | 227 192 | 224 723 | 234 936 | - | - | - | 12 175 | 12 663 | 13 165 | 83 370 | 52 165 | - | 90 718 | 54 564 | - | 94 820 | 57 032 | - | 239 367 | 237 386 | 248 101 |
| B | EC157 King Sabata Dalindyebo | 464 894 | 466 344 | 487 511 | - | - | - | - | - | - | 222 567 | 139 261 | - | 242 183 | 145 667 | - | 253 135 | 152 254 | - | 464 894 | 466 344 | 487 511 |
| C | DC15 O.R. Tambo District Municipality | 1 129 104 | 1 202 200 | 1 256 586 | 137 884 | 143 830 | 150 334 | - | - | - | - | - | - | - | - | - | - | - | - | 1 266 988 | 1 346 030 | 1 406 920 |
| **Total: O.R. Tambo Municipalities** | | **2 676 668** | **2 741 285** | **2 865 581** | **137 884** | **143 830** | **150 334** | **51 972** | **54 060** | **56 205** | **636 263** | **398 113** | **-** | **692 341** | **416 426** | **-** | **723 649** | **435 257** | **-** | **2 866 524** | **2 939 175** | **3 072 120** |
| B | EC441 Matatiele | 306 465 | 304 242 | 318 064 | - | - | - | 12 859 | 13 376 | 13 908 | 121 555 | 76 057 | - | 132 268 | 79 556 | - | 138 250 | 83 154 | - | 319 324 | 317 618 | 331 972 |
| B | EC442 Umzimvubu | 275 168 | 272 592 | 284 978 | - | - | - | 13 127 | 13 654 | 14 195 | 104 834 | 65 595 | - | 114 073 | 68 612 | - | 119 232 | 71 715 | - | 288 295 | 286 246 | 299 173 |
| B | EC443 Winnie Madikizela-Mandela | 342 615 | 339 737 | 355 172 | - | - | - | 15 240 | 15 853 | 16 483 | 134 262 | 84 008 | - | 146 095 | 87 873 | - | 152 702 | 91 846 | - | 357 855 | 355 590 | 371 655 |
| B | EC444 Ntabankulu | 154 461 | 152 693 | 159 633 | - | - | - | 9 604 | 9 993 | 10 393 | 54 036 | 33 810 | - | 58 798 | 35 366 | - | 61 457 | 36 965 | - | 164 065 | 162 686 | 170 026 |
| C | DC44 Alfred Nzo District Municipality | 742 530 | 789 990 | 825 730 | 84 269 | 87 902 | 91 877 | - | - | - | - | - | - | - | - | - | - | - | - | 826 799 | 877 892 | 917 607 |
| **Total: Alfred Nzo Municipalities** | | **1 821 239** | **1 859 254** | **1 943 577** | **84 269** | **87 902** | **91 877** | **50 830** | **52 876** | **54 979** | **414 686** | **259 471** | **-** | **451 235** | **271 407** | **-** | **471 640** | **283 680** | **-** | **1 956 338** | **2 000 032** | **2 090 433** |
| **Total: Eastern Cape Municipalities** | | **12 500 178** | **12 902 575** | **13 487 259** | **1 001 571** | **1 044 757** | **1 092 002** | **251 413** | **261 521** | **271 914** | **2 024 383** | **1 266 667** | **-** | **2 202 808** | **1 324 934** | **-** | **2 302 420** | **1 384 848** | **-** | **13 753 162** | **14 208 853** | **14 851 175** |

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

| | | | Equitable Share Formula | | | RSC Levies Replacement | | | Special Support for Councillor Remuneration and Ward Committees | | | BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES | | | | | | | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | Water | Sanitation | Refuse | Water | Sanitation | Refuse | Water | Sanitation | Refuse | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| | | | | | | | | | | | | 2025/26 R'(000) | | | 2026/27 R'(000) | | | 2027/28 R'(000) | | | | | |
| **FREE STATE** | | | | | | | | | | | | | | | | | | | | | | | |
| A | MAN | Mangaung | 1 197 582 | 1 271 840 | 1 329 354 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 197 582 | 1 271 840 | 1 329 354 |
| B | FS161 | Letsemeng | 90 466 | 93 755 | 98 002 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 93 781 | 97 204 | 101 588 |
| B | FS162 | Kopanong | 117 788 | 122 023 | 127 551 | - | - | - | 4 326 | 4 501 | 4 680 | - | - | - | - | - | - | - | - | - | 122 114 | 126 524 | 132 231 |
| B | FS163 | Mohokare | 99 321 | 102 367 | 107 006 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 102 636 | 105 816 | 110 592 |
| C | DC16 | Xhariep District Municipality | 24 312 | 23 991 | 25 081 | 25 286 | 26 376 | 27 569 | 3 330 | 3 483 | 3 641 | - | - | - | - | - | - | - | - | - | 52 928 | 53 850 | 56 291 |
| **Total: Xhariep Municipalities** | | | **331 887** | **342 136** | **357 640** | **25 286** | **26 376** | **27 569** | **14 286** | **14 882** | **15 493** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **371 459** | **383 394** | **400 702** |
| B | FS181 | Masilonyana | 168 863 | 173 802 | 181 679 | - | - | - | 4 555 | 4 736 | 4 923 | - | - | - | - | - | - | - | - | - | 173 418 | 178 538 | 186 602 |
| B | FS182 | Tokologo | 78 463 | 80 626 | 84 281 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 81 778 | 84 075 | 87 867 |
| B | FS183 | Tswelopele | 101 638 | 104 437 | 109 171 | - | - | - | 4 326 | 4 501 | 4 680 | - | - | - | - | - | - | - | - | - | 105 964 | 108 938 | 113 851 |
| B | FS184 | Matjhabeng | 776 731 | 816 136 | 853 071 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 776 731 | 816 136 | 853 071 |
| B | FS185 | Nala | 163 168 | 168 297 | 175 924 | - | - | - | 5 715 | 5 945 | 6 181 | - | - | - | - | - | - | - | - | - | 168 883 | 174 242 | 182 105 |
| C | DC18 | Lejweleputswa District Municipality | 49 993 | 49 511 | 51 761 | 106 114 | 110 690 | 115 695 | - | - | - | - | - | - | - | - | - | - | - | - | 156 107 | 160 201 | 167 456 |
| **Total: Lejweleputswa Municipalities** | | | **1 338 856** | **1 392 809** | **1 455 887** | **106 114** | **110 690** | **115 695** | **17 911** | **18 631** | **19 370** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 462 881** | **1 522 130** | **1 590 952** |
| B | FS191 | Setsoto | 269 207 | 278 273 | 290 882 | - | - | - | 7 888 | 8 204 | 8 529 | - | - | - | - | - | - | - | - | - | 277 095 | 286 477 | 299 411 |
| B | FS192 | Dihlabeng | 259 084 | 270 940 | 283 206 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 259 084 | 270 940 | 283 206 |
| B | FS193 | Nketoana | 139 727 | 144 528 | 151 076 | - | - | - | 4 286 | 4 459 | 4 636 | - | - | - | - | - | - | - | - | - | 144 013 | 148 987 | 155 712 |
| B | FS194 | Maluti-a-Phofung | 878 511 | 904 431 | 945 424 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 878 511 | 904 431 | 945 424 |
| B | FS195 | Phumelela | 105 450 | 108 765 | 113 694 | - | - | - | 4 044 | 4 208 | 4 376 | - | - | - | - | - | - | - | - | - | 109 494 | 112 973 | 118 070 |
| B | FS196 | Mantsopa | 116 887 | 120 766 | 126 238 | - | - | - | 4 286 | 4 459 | 4 636 | - | - | - | - | - | - | - | - | - | 121 173 | 125 225 | 130 874 |
| C | DC19 | Thabo Mofutsanyana District Municipality | 70 059 | 69 512 | 72 670 | 71 168 | 74 237 | 77 594 | - | - | - | - | - | - | - | - | - | - | - | - | 141 227 | 143 749 | 150 264 |
| **Total: Thabo Mofutsanyana Municipalities** | | | **1 838 925** | **1 897 215** | **1 983 190** | **71 168** | **74 237** | **77 594** | **20 504** | **21 330** | **22 177** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 930 597** | **1 992 782** | **2 082 961** |
| B | FS201 | Moqhaka | 312 705 | 325 734 | 340 485 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 312 705 | 325 734 | 340 485 |
| B | FS203 | Ngwathe | 288 814 | 298 921 | 312 464 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 288 814 | 298 921 | 312 464 |
| B | FS204 | Metsimaholo | 313 545 | 329 814 | 344 739 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 313 545 | 329 814 | 344 739 |
| B | FS205 | Mafube | 136 889 | 141 338 | 147 742 | - | - | - | 4 078 | 4 241 | 4 408 | - | - | - | - | - | - | - | - | - | 140 967 | 145 579 | 152 150 |
| C | DC20 | Fezile Dabi District Municipality | 13 678 | 13 574 | 14 190 | 169 933 | 177 260 | 185 276 | - | - | - | - | - | - | - | - | - | - | - | - | 183 611 | 190 834 | 199 466 |
| **Total: Fezile Dabi Municipalities** | | | **1 065 631** | **1 109 381** | **1 159 620** | **169 933** | **177 260** | **185 276** | **4 078** | **4 241** | **4 408** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 239 642** | **1 290 882** | **1 349 304** |
| **Total: Free State Municipalities** | | | **5 772 881** | **6 013 381** | **6 285 691** | **372 501** | **388 563** | **406 134** | **56 779** | **59 084** | **61 448** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **6 202 161** | **6 461 028** | **6 753 273** |
| **GAUTENG** | | | | | | | | | | | | | | | | | | | | | | | |
| A | EKU | City of Ekurhuleni | 5 950 244 | 6 319 198 | 6 604 955 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5 950 244 | 6 319 198 | 6 604 955 |
| A | JHB | City of Johannesburg | 8 140 146 | 8 644 888 | 9 035 815 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 8 140 146 | 8 644 888 | 9 035 815 |
| A | TSH | City of Tshwane | 4 609 036 | 4 894 827 | 5 116 174 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 4 609 036 | 4 894 827 | 5 116 174 |
| B | GT421 | Emfuleni | 1 222 371 | 1 293 303 | 1 351 803 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 222 371 | 1 293 303 | 1 351 803 |
| B | GT422 | Midvaal | 177 589 | 188 600 | 197 129 | - | - | - | 7 144 | 7 431 | 7 727 | - | - | - | - | - | - | - | - | - | 184 733 | 196 031 | 204 856 |
| B | GT423 | Lesedi | 223 684 | 234 969 | 245 603 | - | - | - | 6 191 | 6 440 | 6 696 | - | - | - | - | - | - | - | - | - | 229 875 | 241 409 | 252 299 |
| C | DC42 | Sedibeng District Municipality | 30 863 | 30 722 | 32 117 | 289 440 | 301 920 | 315 573 | - | - | - | - | - | - | - | - | - | - | - | - | 320 303 | 332 642 | 347 690 |
| **Total: Sedibeng Municipalities** | | | **1 654 507** | **1 747 594** | **1 826 652** | **289 440** | **301 920** | **315 573** | **13 335** | **13 871** | **14 423** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 957 282** | **2 063 385** | **2 156 648** |
| B | GT481 | Mogale City | 696 434 | 739 617 | 773 063 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 696 434 | 739 617 | 773 063 |
| B | GT484 | Merafong City | 326 415 | 345 087 | 360 697 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 326 415 | 345 087 | 360 697 |
| B | GT485 | Rand West City | 497 947 | 526 106 | 549 906 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 497 947 | 526 106 | 549 906 |
| C | DC48 | West Rand District Municipality | 53 050 | 53 005 | 55 411 | 198 092 | 206 633 | 215 978 | - | - | - | - | - | - | - | - | - | - | - | - | 251 142 | 259 638 | 271 389 |
| **Total: West Rand Municipalities** | | | **1 573 846** | **1 663 815** | **1 739 077** | **198 092** | **206 633** | **215 978** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 771 938** | **1 870 448** | **1 955 055** |
| **Total: Gauteng Municipalities** | | | **21 927 779** | **23 270 322** | **24 322 673** | **487 532** | **508 553** | **531 551** | **13 335** | **13 871** | **14 423** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **22 428 646** | **23 792 746** | **24 868 647** |

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

| | | Equitable Share Formula | | | RSC Levies Replacement | | | Special Support for Councillor Remuneration and Ward Committees | | | BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES | | | | | | | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | Water | Sanitation | Refuse | Water | Sanitation | Refuse | Water | Sanitation | Refuse | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| | | | | | | | | | | | 2025/26 R'(000) | | | 2026/27 R'(000) | | | 2027/28 R'(000) | | | | | |
| **KWAZULU-NATAL** | | | | | | | | | | | | | | | | | | | | | | |
| A | ETH eThekwini | 5 190 438 | 5 512 279 | 5 761 547 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5 190 438 | 5 512 279 | 5 761 547 |
| B | KZN212 uMdoni | 173 924 | 172 937 | 180 792 | - | - | - | 8 841 | 9 195 | 9 559 | 69 096 | 43 233 | - | 75 185 | 45 222 | - | 78 585 | 47 267 | - | 182 765 | 182 132 | 190 351 |
| B | KZN213 uMzumbe | 159 664 | 157 708 | 164 876 | - | - | - | 9 886 | 10 286 | 10 697 | 55 120 | 34 489 | - | 59 979 | 36 076 | - | 62 691 | 37 707 | - | 169 550 | 167 994 | 175 573 |
| B | KZN214 uMuziwabantu | 117 929 | 117 184 | 122 507 | - | - | - | 5 031 | 5 232 | 5 439 | 43 075 | 26 952 | - | 46 871 | 28 192 | - | 48 991 | 29 467 | - | 122 960 | 122 416 | 127 946 |
| B | KZN216 Ray Nkonyeni | 308 440 | 311 402 | 325 529 | - | - | - | - | - | - | 162 333 | 101 572 | - | 176 640 | 106 245 | - | 184 628 | 111 049 | - | 308 440 | 311 402 | 325 529 |
| C | DC21 Ugu District Municipality | 590 710 | 628 562 | 656 998 | 115 938 | 120 937 | 126 406 | - | - | - | - | - | - | - | - | - | - | - | - | 706 648 | 749 499 | 783 404 |
| **Total: Ugu Municipalities** | | **1 350 667** | **1 387 793** | **1 450 702** | **115 938** | **120 937** | **126 406** | **23 758** | **24 713** | **25 695** | **329 623** | **206 247** | **-** | **358 675** | **215 734** | **-** | **374 895** | **225 490** | **-** | **1 490 363** | **1 533 443** | **1 602 803** |
| B | KZN221 uMshwathi | 134 332 | 134 355 | 140 455 | - | - | - | 6 460 | 6 718 | 6 984 | 58 026 | 36 307 | - | 63 140 | 37 977 | - | 65 995 | 39 695 | - | 140 792 | 141 073 | 147 439 |
| B | KZN222 uMngeni | 104 152 | 107 034 | 111 882 | - | - | - | 5 983 | 6 223 | 6 469 | 67 736 | 42 383 | - | 73 707 | 44 333 | - | 77 040 | 46 337 | - | 110 135 | 113 257 | 118 351 |
| B | KZN223 Mpofana | 47 087 | 47 392 | 49 542 | - | - | - | 2 527 | 2 630 | 2 735 | 19 854 | 12 423 | - | 21 604 | 12 994 | - | 22 581 | 13 582 | - | 49 614 | 50 022 | 52 277 |
| B | KZN224 iMpendle | 47 614 | 47 452 | 49 607 | - | - | - | 2 730 | 2 841 | 2 956 | 14 188 | 8 878 | - | 15 439 | 9 286 | - | 16 137 | 9 706 | - | 50 344 | 50 293 | 52 563 |
| B | KZN225 Msunduzi | 877 312 | 926 722 | 968 645 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 877 312 | 926 722 | 968 645 |
| B | KZN226 Mkhambathini | 84 619 | 84 489 | 88 326 | - | - | - | 3 334 | 3 468 | 3 606 | 32 371 | 20 255 | - | 35 224 | 21 186 | - | 36 817 | 22 144 | - | 87 953 | 87 957 | 91 932 |
| B | KZN227 Richmond | 95 027 | 94 950 | 99 261 | - | - | - | 3 334 | 3 468 | 3 606 | 37 409 | 23 407 | - | 40 706 | 24 484 | - | 42 547 | 25 591 | - | 98 361 | 98 418 | 102 867 |
| C | DC22 uMgungundlovu District Municipality | 413 908 | 440 504 | 460 432 | 374 669 | 390 824 | 408 497 | - | - | - | - | - | - | - | - | - | - | - | - | 788 577 | 831 328 | 868 929 |
| **Total: uMgungundlovu Municipalities** | | **1 804 051** | **1 882 898** | **1 968 150** | **374 669** | **390 824** | **408 497** | **24 368** | **25 348** | **26 356** | **229 585** | **143 652** | **-** | **249 820** | **150 260** | **-** | **261 117** | **157 055** | **-** | **2 203 088** | **2 299 070** | **2 403 003** |
| B | KZN235 Okhahlamba | 159 355 | 158 125 | 165 309 | - | - | - | 6 936 | 7 213 | 7 499 | 59 216 | 37 052 | - | 64 435 | 38 756 | - | 67 349 | 40 509 | - | 166 291 | 165 338 | 172 808 |
| B | KZN237 iNkosi Langalibalele | 234 173 | 232 685 | 243 255 | - | - | - | 11 222 | 11 672 | 12 135 | 93 625 | 58 582 | - | 101 877 | 61 276 | - | 106 484 | 64 047 | - | 245 395 | 244 357 | 255 390 |
| B | KZN238 Alfred Duma | 328 640 | 329 754 | 344 721 | - | - | - | - | - | - | 158 081 | 98 912 | - | 172 014 | 103 462 | - | 179 792 | 108 141 | - | 328 640 | 329 754 | 344 721 |
| C | DC23 uThukela District Municipality | 556 875 | 592 639 | 619 450 | 87 013 | 90 765 | 94 870 | 6 868 | 7 184 | 7 509 | - | - | - | - | - | - | - | - | - | 650 756 | 690 588 | 721 829 |
| **Total: uThukela Municipalities** | | **1 279 043** | **1 313 203** | **1 372 735** | **87 013** | **90 765** | **94 870** | **25 026** | **26 069** | **27 143** | **310 922** | **194 546** | **-** | **338 326** | **203 495** | **-** | **353 625** | **212 697** | **-** | **1 391 082** | **1 430 037** | **1 494 748** |
| B | KZN241 eNdumeni | 69 632 | 70 856 | 74 068 | - | - | - | 3 126 | 3 250 | 3 378 | 38 590 | 24 146 | - | 41 991 | 25 256 | - | 43 890 | 26 398 | - | 72 758 | 74 106 | 77 446 |
| B | KZN242 Nquthu | 178 663 | 176 810 | 184 845 | - | - | - | 8 841 | 9 195 | 9 559 | 64 293 | 40 228 | - | 69 959 | 42 079 | - | 73 123 | 43 982 | - | 187 504 | 186 005 | 194 404 |
| B | KZN244 uMsinga | 220 977 | 219 326 | 229 290 | - | - | - | 10 392 | 10 812 | 11 244 | 85 468 | 53 478 | - | 93 001 | 55 938 | - | 97 206 | 58 467 | - | 231 369 | 230 138 | 240 534 |
| B | KZN245 uMvoti | 180 772 | 180 792 | 189 000 | - | - | - | 6 460 | 6 718 | 6 984 | 78 685 | 49 233 | - | 85 620 | 51 498 | - | 89 492 | 53 827 | - | 187 232 | 187 510 | 195 984 |
| C | DC24 uMzinyathi District Municipality | 482 174 | 512 824 | 536 024 | 68 237 | 71 179 | 74 398 | - | - | - | - | - | - | - | - | - | - | - | - | 550 411 | 584 003 | 610 422 |
| **Total: uMzinyathi Municipalities** | | **1 132 218** | **1 160 608** | **1 213 227** | **68 237** | **71 179** | **74 398** | **28 819** | **29 975** | **31 165** | **267 035** | **167 085** | **-** | **290 570** | **174 771** | **-** | **303 710** | **182 674** | **-** | **1 229 274** | **1 261 762** | **1 318 790** |
| B | KZN252 Newcastle | 564 171 | 586 466 | 613 028 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 564 171 | 586 466 | 613 028 |
| B | KZN253 eMadlangeni | 37 081 | 36 930 | 38 607 | - | - | - | 2 810 | 2 923 | 3 039 | 11 074 | 6 929 | - | 12 050 | 7 248 | - | 12 595 | 7 576 | - | 39 891 | 39 853 | 41 646 |
| B | KZN254 Dannhauser | 113 769 | 112 588 | 117 704 | - | - | - | 5 983 | 6 223 | 6 469 | 38 416 | 24 037 | - | 41 802 | 25 143 | - | 43 692 | 26 280 | - | 119 752 | 118 811 | 124 173 |
| C | DC25 Amajuba District Municipality | 111 842 | 117 175 | 122 481 | 119 686 | 124 847 | 130 492 | - | - | - | - | - | - | - | - | - | - | - | - | 231 528 | 242 022 | 252 973 |
| **Total: Amajuba Municipalities** | | **826 863** | **853 159** | **891 820** | **119 686** | **124 847** | **130 492** | **8 793** | **9 146** | **9 508** | **49 490** | **30 966** | **-** | **53 852** | **32 391** | **-** | **56 287** | **33 855** | **-** | **955 342** | **987 152** | **1 031 820** |
| B | KZN261 eDumbe | 99 168 | 98 437 | 102 908 | - | - | - | 4 555 | 4 736 | 4 923 | 34 455 | 21 559 | - | 37 492 | 22 550 | - | 39 187 | 23 570 | - | 103 723 | 103 173 | 107 831 |
| B | KZN262 uPhongolo | 185 152 | 184 273 | 192 642 | - | - | - | 6 936 | 7 213 | 7 499 | 73 737 | 46 137 | - | 80 236 | 48 260 | - | 83 864 | 50 442 | - | 192 088 | 191 486 | 200 141 |
| B | KZN263 AbaQulusi | 217 623 | 218 270 | 228 177 | - | - | - | - | - | - | 102 231 | 63 966 | - | 111 241 | 66 909 | - | 116 271 | 69 934 | - | 217 623 | 218 270 | 228 177 |
| B | KZN265 Nongoma | 198 244 | 195 592 | 204 482 | - | - | - | 10 746 | 11 177 | 11 620 | 68 188 | 42 666 | - | 74 198 | 44 628 | - | 77 553 | 46 646 | - | 208 990 | 206 769 | 216 102 |
| B | KZN266 Ulundi | 204 139 | 201 161 | 210 305 | - | - | - | 11 222 | 11 672 | 12 135 | 68 678 | 42 972 | - | 74 731 | 44 949 | - | 78 110 | 46 981 | - | 215 361 | 212 833 | 222 440 |
| C | DC26 Zululand District Municipality | 622 471 | 662 368 | 692 333 | 87 988 | 91 782 | 95 932 | - | - | - | - | - | - | - | - | - | - | - | - | 710 459 | 754 150 | 788 265 |
| **Total: Zululand Municipalities** | | **1 526 797** | **1 560 101** | **1 630 847** | **87 988** | **91 782** | **95 932** | **33 459** | **34 798** | **36 177** | **347 288** | **217 300** | **-** | **377 897** | **227 296** | **-** | **394 986** | **237 574** | **-** | **1 648 244** | **1 686 681** | **1 762 956** |
| B | KZN271 uMhlabuyalingana | 232 462 | 230 916 | 241 406 | - | - | - | 9 317 | 9 691 | 10 074 | 91 237 | 57 087 | - | 99 278 | 59 713 | - | 103 768 | 62 414 | - | 241 779 | 240 607 | 251 480 |
| B | KZN272 Jozini | 247 392 | 245 200 | 256 341 | - | - | - | 10 746 | 11 177 | 11 620 | 93 925 | 58 769 | - | 102 203 | 61 472 | - | 106 824 | 64 252 | - | 258 138 | 256 377 | 267 961 |
| B | KZN275 Inkosi uMtubatuba | 232 965 | 230 787 | 241 274 | - | - | - | 10 746 | 11 177 | 11 620 | 87 609 | 54 818 | - | 95 331 | 57 339 | - | 99 642 | 59 932 | - | 243 711 | 241 964 | 252 894 |
| B | KZN276 Big Five Hlabisa | 147 336 | 146 042 | 152 678 | - | - | - | 6 854 | 7 130 | 7 415 | 53 062 | 33 201 | - | 57 739 | 34 729 | - | 60 350 | 36 299 | - | 154 190 | 153 172 | 160 093 |
| C | DC27 uMkhanyakude District Municipality | 587 815 | 625 148 | 653 431 | 69 388 | 72 380 | 75 653 | - | - | - | - | - | - | - | - | - | - | - | - | 657 203 | 697 528 | 729 084 |
| **Total: uMkhanyakude Municipalities** | | **1 447 970** | **1 478 093** | **1 545 130** | **69 388** | **72 380** | **75 653** | **37 663** | **39 175** | **40 729** | **325 833** | **203 876** | **-** | **354 551** | **213 254** | **-** | **370 584** | **222 897** | **-** | **1 555 021** | **1 589 648** | **1 661 512** |
| B | KZN281 uMfolozi | 175 978 | 174 101 | 182 013 | - | - | - | 8 875 | 9 234 | 9 603 | 62 673 | 39 215 | - | 68 196 | 41 018 | - | 71 280 | 42 873 | - | 184 853 | 183 335 | 191 616 |
| B | KZN282 uMhlathuze | 585 884 | 612 883 | 640 629 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 585 884 | 612 883 | 640 629 |
| B | KZN284 uMlalazi | 239 463 | 237 197 | 247 975 | - | - | - | 13 127 | 13 654 | 14 195 | 91 026 | 56 955 | - | 99 048 | 59 575 | - | 103 527 | 62 269 | - | 252 590 | 250 851 | 262 170 |
| B | KZN285 Mthonjaneni | 95 776 | 94 531 | 98 828 | - | - | - | 6 348 | 6 604 | 6 868 | 29 765 | 18 624 | - | 32 389 | 19 481 | - | 33 853 | 20 362 | - | 102 124 | 101 135 | 105 696 |
| B | KZN286 Nkandla | 118 697 | 117 312 | 122 643 | - | - | - | 6 460 | 6 718 | 6 984 | 39 367 | 24 632 | - | 42 837 | 25 765 | - | 44 774 | 26 930 | - | 125 157 | 124 030 | 129 627 |
| C | DC28 King Cetshwayo District Municipality | 375 419 | 401 333 | 419 484 | 384 050 | 400 610 | 418 726 | - | - | - | - | - | - | - | - | - | - | - | - | 759 469 | 801 943 | 838 210 |
| **Total: King Cetshwayo Municipalities** | | **1 591 217** | **1 637 357** | **1 711 572** | **384 050** | **400 610** | **418 726** | **34 810** | **36 210** | **37 650** | **222 831** | **139 426** | **-** | **242 470** | **145 840** | **-** | **253 435** | **152 435** | **-** | **2 010 077** | **2 074 177** | **2 167 948** |
| B | KZN291 Mandeni | 235 833 | 235 209 | 245 890 | - | - | - | 8 365 | 8 700 | 9 044 | 99 553 | 62 291 | - | 108 327 | 65 156 | - | 113 226 | 68 102 | - | 244 198 | 243 909 | 254 934 |
| B | KZN292 KwaDukuza | 289 206 | 297 144 | 310 604 | - | - | - | - | - | - | 189 902 | 118 823 | - | 206 640 | 124 289 | - | 215 984 | 129 909 | - | 289 206 | 297 144 | 310 604 |
| B | KZN293 Ndwedwe | 193 696 | 191 972 | 200 694 | - | - | - | 9 381 | 9 760 | 10 150 | 72 077 | 45 099 | - | 78 430 | 47 174 | - | 81 977 | 49 307 | - | 203 077 | 201 732 | 210 844 |
| B | KZN294 Maphumulo | 113 885 | 112 975 | 118 108 | - | - | - | 5 507 | 5 727 | 5 954 | 40 249 | 25 184 | - | 43 796 | 26 342 | - | 45 777 | 27 534 | - | 119 392 | 118 702 | 124 062 |
| C | DC29 iLembe District Municipality | 704 507 | 751 138 | 785 115 | 132 103 | 137 799 | 144 031 | - | - | - | - | - | - | - | - | - | - | - | - | 836 610 | 888 937 | 929 146 |
| **Total: iLembe Municipalities** | | **1 537 127** | **1 588 438** | **1 660 411** | **132 103** | **137 799** | **144 031** | **23 253** | **24 187** | **25 148** | **401 781** | **251 396** | **-** | **437 193** | **262 961** | **-** | **456 963** | **274 852** | **-** | **1 692 483** | **1 750 424** | **1 829 590** |
| B | KZN433 Greater Kokstad | 83 165 | 84 128 | 87 944 | - | - | - | 4 555 | 4 736 | 4 923 | 42 601 | 26 656 | - | 46 356 | 27 882 | - | 48 452 | 29 143 | - | 87 720 | 88 864 | 92 867 |
| B | KZN434 Johannes Phumani Phungula | 139 507 | 138 398 | 144 685 | - | - | - | 6 460 | 6 718 | 6 984 | 50 867 | 31 828 | - | 55 350 | 33 292 | - | 57 853 | 34 797 | - | 145 967 | 145 116 | 151 669 |
| B | KZN435 uMzimkhulu | 248 349 | 246 671 | 257 876 | - | - | - | 10 270 | 10 681 | 11 105 | 97 926 | 61 273 | - | 106 557 | 64 091 | - | 111 375 | 66 989 | - | 258 619 | 257 352 | 268 981 |
| B | KZN436 Dr Nkosazana Dlamini Zuma | 162 760 | 161 571 | 168 911 | - | - | - | 7 359 | 7 656 | 7 962 | 61 089 | 38 224 | - | 66 473 | 39 982 | - | 69 479 | 41 790 | - | 170 119 | 169 227 | 176 873 |
| C | DC43 Harry Gwala District Municipality | 458 188 | 487 066 | 509 102 | 62 683 | 65 385 | 68 342 | - | - | - | - | - | - | - | - | - | - | - | - | 520 871 | 552 451 | 577 444 |
| **Total: Harry Gwala Municipalities** | | **1 091 969** | **1 117 834** | **1 168 518** | **62 683** | **65 385** | **68 342** | **28 644** | **29 791** | **30 974** | **252 483** | **157 980** | **-** | **274 736** | **165 247** | **-** | **287 160** | **172 720** | **-** | **1 183 296** | **1 213 010** | **1 267 834** |
| **Total: KwaZulu-Natal Municipalities** | | **18 778 360** | **19 491 763** | **20 374 659** | **1 501 755** | **1 566 508** | **1 637 347** | **268 593** | **279 412** | **290 545** | **2 736 871** | **1 712 474** | **-** | **2 978 092** | **1 791 248** | **-** | **3 112 763** | **1 872 249** | **-** | **20 548 708** | **21 337 683** | **22 302 551** |

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

| | | Equitable Share Formula | | | RSC Levies Replacement | | | Special Support for Councillor Remuneration and Ward Committees | | | BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES | | | | | | | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | Water | Sanitation | Refuse | Water | Sanitation | Refuse | Water | Sanitation | Refuse | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| | | | | | | | | | | | 2025/26 R'(000) | | | 2026/27 R'(000) | | | 2027/28 R'(000) | | | | | |
| **LIMPOPO** | | | | | | | | | | | | | | | | | | | | | | |
| B | LIM331 Greater Giyani | 381 008 | 378 372 | 395 561 | - | - | - | 14 764 | 15 358 | 15 968 | 153 278 | 95 907 | - | 166 787 | 100 318 | - | 174 330 | 104 855 | - | 395 772 | 393 730 | 411 529 |
| B | LIM332 Greater Letaba | 370 919 | 368 632 | 385 377 | - | - | - | 14 288 | 14 862 | 15 453 | 151 052 | 94 514 | - | 164 366 | 98 862 | - | 171 798 | 103 332 | - | 385 207 | 383 494 | 400 830 |
| B | LIM333 Greater Tzaneen | 555 351 | 556 034 | 581 276 | - | - | - | - | - | - | 257 751 | 161 276 | - | 280 468 | 168 695 | - | 293 151 | 176 323 | - | 555 351 | 556 034 | 581 276 |
| B | LIM334 Ba-Phalaborwa | 208 435 | 207 944 | 217 387 | - | - | - | 8 841 | 9 195 | 9 559 | 88 757 | 55 536 | - | 96 580 | 58 091 | - | 100 948 | 60 718 | - | 217 276 | 217 139 | 226 946 |
| B | LIM335 Maruleng | 167 140 | 166 225 | 173 775 | - | - | - | 6 460 | 6 718 | 6 984 | 64 864 | 40 586 | - | 70 581 | 42 453 | - | 73 773 | 44 372 | - | 173 600 | 172 943 | 180 759 |
| C | DC33 Mopani District Municipality | 1 253 712 | 1 336 786 | 1 397 255 | 173 717 | 181 207 | 189 401 | - | - | - | - | - | - | - | - | - | - | - | - | 1 427 429 | 1 517 993 | 1 586 656 |
| **Total: Mopani Municipalities** | | **2 936 565** | **3 013 993** | **3 150 631** | **173 717** | **181 207** | **189 401** | **44 353** | **46 133** | **47 964** | **715 702** | **447 819** | **-** | **778 783** | **468 418** | **-** | **814 000** | **489 600** | **-** | **3 154 635** | **3 241 333** | **3 387 996** |
| B | LIM341 Musina | 226 942 | 228 553 | 238 924 | - | - | - | 5 715 | 5 945 | 6 181 | 111 700 | 69 891 | - | 121 545 | 73 106 | - | 127 041 | 76 412 | - | 232 657 | 234 498 | 245 105 |
| B | LIM343 Thulamela | 605 527 | 604 235 | 631 673 | - | - | - | 19 319 | 20 094 | 20 892 | 267 159 | 167 163 | - | 290 705 | 174 852 | - | 303 851 | 182 759 | - | 624 846 | 624 329 | 652 565 |
| B | LIM344 Makhado | 512 943 | 513 230 | 536 530 | - | - | - | - | - | - | 236 057 | 147 702 | - | 256 862 | 154 496 | - | 268 478 | 161 483 | - | 512 943 | 513 230 | 536 530 |
| B | LIM345 Collins Chabane | 496 440 | 494 162 | 516 606 | - | - | - | 16 937 | 17 617 | 18 316 | 209 399 | 131 022 | - | 227 855 | 137 049 | - | 238 159 | 143 246 | - | 513 377 | 511 779 | 534 922 |
| C | DC34 Vhembe District Municipality | 1 454 970 | 1 550 614 | 1 620 757 | 112 886 | 117 754 | 123 079 | - | - | - | - | - | - | - | - | - | - | - | - | 1 567 856 | 1 668 368 | 1 743 836 |
| **Total: Vhembe Municipalities** | | **3 296 822** | **3 390 794** | **3 544 490** | **112 886** | **117 754** | **123 079** | **41 971** | **43 656** | **45 389** | **824 315** | **515 778** | **-** | **896 968** | **539 504** | **-** | **937 529** | **563 900** | **-** | **3 451 679** | **3 552 204** | **3 712 958** |
| B | LIM351 Blouberg | 234 833 | 233 005 | 243 591 | - | - | - | 10 478 | 10 899 | 11 332 | 90 788 | 56 806 | - | 98 789 | 59 419 | - | 103 257 | 62 106 | - | 245 311 | 243 904 | 254 923 |
| B | LIM353 Molemole | 179 302 | 178 001 | 186 088 | - | - | - | 7 620 | 7 927 | 8 242 | 68 099 | 42 610 | - | 74 101 | 44 570 | - | 77 452 | 46 586 | - | 186 922 | 185 928 | 194 330 |
| B | LIM354 Polokwane | 1 481 181 | 1 548 132 | 1 618 222 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 481 181 | 1 548 132 | 1 618 222 |
| B | LIM355 Lepele-Nkumpi | 320 075 | 316 913 | 331 314 | - | - | - | 14 288 | 14 862 | 15 453 | 121 477 | 76 009 | - | 132 184 | 79 506 | - | 138 162 | 83 101 | - | 334 363 | 331 775 | 346 767 |
| C | DC35 Capricorn District Municipality | 529 314 | 561 692 | 587 106 | 326 880 | 340 974 | 356 393 | - | - | - | - | - | - | - | - | - | - | - | - | 856 194 | 902 666 | 943 499 |
| **Total: Capricorn Municipalities** | | **2 744 705** | **2 837 743** | **2 966 321** | **326 880** | **340 974** | **356 393** | **32 386** | **33 688** | **35 027** | **280 365** | **175 426** | **-** | **305 075** | **183 495** | **-** | **318 871** | **191 793** | **-** | **3 103 971** | **3 212 405** | **3 357 741** |
| B | LIM361 Thabazimbi | 150 144 | 159 098 | 166 294 | - | - | - | 5 507 | 5 727 | 5 954 | - | - | - | - | - | - | - | - | - | 155 651 | 164 825 | 172 248 |
| B | LIM362 Lephalale | 254 203 | 265 671 | 277 699 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 254 203 | 265 671 | 277 699 |
| B | LIM366 Bela-Bela | 140 206 | 145 890 | 152 497 | - | - | - | 4 078 | 4 241 | 4 408 | - | - | - | - | - | - | - | - | - | 144 284 | 150 131 | 156 905 |
| B | LIM367 Mogalakwena | 627 028 | 644 158 | 673 359 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 627 028 | 644 158 | 673 359 |
| B | LIM368 Modimolle-Mookgophong | 162 022 | 168 891 | 176 538 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 162 022 | 168 891 | 176 538 |
| C | DC36 Waterberg District Municipality | 49 166 | 48 893 | 51 113 | 101 770 | 106 158 | 110 959 | 7 285 | 7 620 | 7 964 | - | - | - | - | - | - | - | - | - | 158 221 | 162 671 | 170 036 |
| **Total: Waterberg Municipalities** | | **1 382 769** | **1 432 601** | **1 497 500** | **101 770** | **106 158** | **110 959** | **16 870** | **17 588** | **18 326** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 501 409** | **1 556 347** | **1 626 785** |
| B | LIM471 Ephraim Mogale | 193 830 | 192 676 | 201 428 | - | - | - | 7 620 | 7 927 | 8 242 | 75 787 | 47 420 | - | 82 467 | 49 602 | - | 86 196 | 51 845 | - | 201 450 | 200 603 | 209 670 |
| B | LIM472 Elias Motsoaledi | 361 334 | 358 256 | 374 534 | - | - | - | 14 556 | 15 140 | 15 741 | 140 964 | 88 202 | - | 153 388 | 92 259 | - | 160 325 | 96 431 | - | 375 890 | 373 396 | 390 275 |
| B | LIM473 Makhuduthamaga | 346 816 | 343 947 | 359 574 | - | - | - | 14 764 | 15 358 | 15 968 | 136 023 | 85 110 | - | 148 012 | 89 025 | - | 154 705 | 93 051 | - | 361 580 | 359 305 | 375 542 |
| B | LIM476 Fetakgomo Tubatse | 615 561 | 612 026 | 639 826 | - | - | - | - | - | - | 254 850 | 159 461 | - | 277 312 | 166 796 | - | 289 852 | 174 339 | - | 615 561 | 612 026 | 639 826 |
| C | DC47 Sekhukhune District Municipality | 1 074 370 | 1 144 636 | 1 196 415 | 135 390 | 141 228 | 147 615 | - | - | - | - | - | - | - | - | - | - | - | - | 1 209 760 | 1 285 864 | 1 344 030 |
| **Total: Sekhukhune Municipalities** | | **2 591 911** | **2 651 541** | **2 771 777** | **135 390** | **141 228** | **147 615** | **36 940** | **38 425** | **39 951** | **607 624** | **380 194** | **-** | **661 179** | **397 683** | **-** | **691 078** | **415 666** | **-** | **2 764 241** | **2 831 194** | **2 959 343** |
| **Total: Limpopo Municipalities** | | **12 952 772** | **13 326 672** | **13 930 719** | **850 643** | **887 321** | **927 447** | **172 520** | **179 490** | **186 657** | **2 428 006** | **1 519 216** | **-** | **2 642 004** | **1 589 100** | **-** | **2 761 477** | **1 660 960** | **-** | **13 975 935** | **14 393 483** | **15 044 823** |
| **MPUMALANGA** | | | | | | | | | | | | | | | | | | | | | | |
| B | MP301 Chief Albert Luthuli | 443 524 | 454 896 | 475 520 | - | - | - | 11 698 | 12 168 | 12 650 | - | - | - | - | - | - | - | - | - | 455 222 | 467 064 | 488 170 |
| B | MP302 Msukaligwa | 285 986 | 300 145 | 313 730 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 285 986 | 300 145 | 313 730 |
| B | MP303 Mkhondo | 357 028 | 368 867 | 385 581 | - | - | - | 9 049 | 9 413 | 9 787 | - | - | - | - | - | - | - | - | - | 366 077 | 378 280 | 395 368 |
| B | MP304 Dr Pixley ka Isaka Seme | 167 665 | 172 677 | 180 503 | - | - | - | 5 031 | 5 232 | 5 439 | - | - | - | - | - | - | - | - | - | 172 696 | 177 909 | 185 942 |
| B | MP305 Lekwa | 189 719 | 199 105 | 208 117 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 189 719 | 199 105 | 208 117 |
| B | MP306 Dipaleseng | 106 773 | 110 204 | 115 198 | - | - | - | 3 033 | 3 156 | 3 282 | - | - | - | - | - | - | - | - | - | 109 806 | 113 360 | 118 480 |
| B | MP307 Govan Mbeki | 492 462 | 522 997 | 546 648 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 492 462 | 522 997 | 546 648 |
| C | DC30 Gert Sibande District Municipality | 17 444 | 17 393 | 18 183 | 328 815 | 342 994 | 358 504 | - | - | - | - | - | - | - | - | - | - | - | - | 346 259 | 360 387 | 376 687 |
| **Total: Gert Sibande Municipalities** | | **2 060 601** | **2 146 284** | **2 243 480** | **328 815** | **342 994** | **358 504** | **28 811** | **29 969** | **31 158** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **2 418 227** | **2 519 247** | **2 633 142** |
| B | MP311 Victor Khanye | 153 053 | 159 628 | 166 856 | - | - | - | 4 078 | 4 241 | 4 408 | - | - | - | - | - | - | - | - | - | 157 131 | 163 869 | 171 264 |
| B | MP312 Emalahleni | 645 069 | 685 067 | 716 046 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 645 069 | 685 067 | 716 046 |
| B | MP313 Steve Tshwete | 376 470 | 399 813 | 417 893 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 376 470 | 399 813 | 417 893 |
| B | MP314 Emakhazeni | 93 020 | 96 577 | 100 951 | - | - | - | 3 821 | 3 975 | 4 133 | - | - | - | - | - | - | - | - | - | 96 841 | 100 552 | 105 084 |
| B | MP315 Thembisile Hani | 609 976 | 627 342 | 655 779 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 609 976 | 627 342 | 655 779 |
| B | MP316 Dr JS Moroka | 516 410 | 526 917 | 550 815 | - | - | - | 14 764 | 15 358 | 15 968 | - | - | - | - | - | - | - | - | - | 531 174 | 542 275 | 566 783 |
| C | DC31 Nkangala District Municipality | 32 196 | 32 165 | 33 625 | 391 888 | 408 785 | 427 271 | - | - | - | - | - | - | - | - | - | - | - | - | 424 084 | 440 950 | 460 896 |
| **Total: Nkangala Municipalities** | | **2 426 194** | **2 527 509** | **2 641 965** | **391 888** | **408 785** | **427 271** | **22 663** | **23 574** | **24 509** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **2 840 745** | **2 959 868** | **3 093 745** |
| B | MP321 Thaba Chweu | 227 381 | 238 029 | 248 804 | - | - | - | 6 460 | 6 718 | 6 984 | - | - | - | - | - | - | - | - | - | 233 841 | 244 747 | 255 788 |
| B | MP324 Nkomazi | 864 636 | 890 463 | 930 823 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 864 636 | 890 463 | 930 823 |
| B | MP325 Bushbuckridge | 1 151 556 | 1 183 178 | 1 236 813 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 151 556 | 1 183 178 | 1 236 813 |
| B | MP326 City of Mbombela | 1 182 249 | 1 238 155 | 1 294 202 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 182 249 | 1 238 155 | 1 294 202 |
| C | DC32 Ehlanzeni District Municipality | 109 908 | 109 552 | 114 527 | 199 659 | 208 268 | 217 686 | - | - | - | - | - | - | - | - | - | - | - | - | 309 567 | 317 820 | 332 213 |
| **Total: Ehlanzeni Municipalities** | | **3 535 730** | **3 659 377** | **3 825 169** | **199 659** | **208 268** | **217 686** | **6 460** | **6 718** | **6 984** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **3 741 849** | **3 874 363** | **4 049 839** |
| **Total: Mpumalanga Municipalities** | | **8 022 525** | **8 333 170** | **8 710 614** | **920 362** | **960 047** | **1 003 461** | **57 934** | **60 261** | **62 651** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **9 000 821** | **9 353 478** | **9 776 726** |

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

| | | Equitable Share Formula | | | RSC Levies Replacement | | | Special Support for Councillor Remuneration and Ward Committees | | | BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES | | | | | | | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | Water | Sanitation | Refuse | Water | Sanitation | Refuse | Water | Sanitation | Refuse | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| | | | | | | | | | | | 2025/26 R'(000) | | | 2026/27 R'(000) | | | 2027/28 R'(000) | | | | | |
| **NORTHERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| B | NC061 Richtersveld | 24 684 | 25 426 | 26 579 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 27 494 | 28 349 | 29 618 |
| B | NC062 Nama Khoi | 66 650 | 69 710 | 72 866 | - | - | - | 4 326 | 4 501 | 4 680 | - | - | - | - | - | - | - | - | - | 70 976 | 74 211 | 77 546 |
| B | NC064 Kamiesberg | 31 639 | 32 107 | 33 564 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 34 449 | 35 030 | 36 603 |
| B | NC065 Hantam | 34 387 | 35 877 | 37 502 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 37 702 | 39 326 | 41 088 |
| B | NC066 Karoo Hoogland | 32 846 | 33 884 | 35 419 | - | - | - | 3 033 | 3 156 | 3 282 | - | - | - | - | - | - | - | - | - | 35 879 | 37 040 | 38 701 |
| B | NC067 Khâi-Ma | 27 036 | 27 767 | 29 026 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 29 846 | 30 690 | 32 065 |
| C | DC6 Namakwa District Municipality | 10 004 | 9 800 | 10 246 | 46 536 | 48 543 | 50 738 | 3 955 | 4 136 | 4 323 | - | - | - | - | - | - | - | - | - | 60 495 | 62 479 | 65 307 |
| **Total: Namakwa Municipalities** | | **227 246** | **234 571** | **245 202** | **46 536** | **48 543** | **50 738** | **23 059** | **24 011** | **24 988** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **296 841** | **307 125** | **320 928** |
| B | NC071 Ubuntu | 50 908 | 52 157 | 54 522 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 53 718 | 55 080 | 57 561 |
| B | NC072 Umsobomvu | 72 612 | 74 715 | 78 102 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 75 927 | 78 164 | 81 688 |
| B | NC073 Emthanjeni | 62 193 | 64 609 | 67 535 | - | - | - | 3 821 | 3 975 | 4 133 | - | - | - | - | - | - | - | - | - | 66 014 | 68 584 | 71 668 |
| B | NC074 Kareeberg | 35 455 | 36 083 | 37 720 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 38 265 | 39 006 | 40 759 |
| B | NC075 Renosterberg | 34 187 | 34 871 | 36 452 | - | - | - | 2 487 | 2 587 | 2 691 | - | - | - | - | - | - | - | - | - | 36 674 | 37 458 | 39 143 |
| B | NC076 Thembelihle | 35 927 | 36 715 | 38 380 | - | - | - | 3 033 | 3 156 | 3 282 | - | - | - | - | - | - | - | - | - | 38 960 | 39 871 | 41 662 |
| B | NC077 Siyathemba | 46 902 | 48 297 | 50 486 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 49 712 | 51 220 | 53 525 |
| B | NC078 Siyancuma | 64 995 | 67 004 | 70 040 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 68 310 | 70 453 | 73 626 |
| C | DC7 Pixley Ka Seme District Municipality | 26 420 | 25 952 | 27 132 | 33 507 | 34 952 | 36 532 | 4 371 | 4 572 | 4 779 | - | - | - | - | - | - | - | - | - | 64 298 | 65 476 | 68 443 |
| **Total: Pixley Ka Seme Municipalities** | | **429 599** | **440 403** | **460 369** | **33 507** | **34 952** | **36 532** | **28 772** | **29 957** | **31 174** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **491 878** | **505 312** | **528 075** |
| B | NC082 !Kai !Garib | 129 635 | 136 071 | 142 229 | - | - | - | 4 832 | 5 026 | 5 227 | - | - | - | - | - | - | - | - | - | 134 467 | 141 097 | 147 456 |
| B | NC084 !Kheis | 34 584 | 35 276 | 36 875 | - | - | - | 3 033 | 3 156 | 3 282 | - | - | - | - | - | - | - | - | - | 37 617 | 38 432 | 40 157 |
| B | NC085 Tsantsabane | 58 566 | 61 227 | 63 999 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 61 881 | 64 676 | 67 585 |
| B | NC086 Kgatelopele | 33 946 | 35 265 | 36 863 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 36 756 | 38 188 | 39 902 |
| B | NC087 Dawid Kruiper | 124 528 | 131 314 | 137 255 | - | - | - | 7 888 | 8 204 | 8 529 | - | - | - | - | - | - | - | - | - | 132 416 | 139 518 | 145 784 |
| C | DC8 Z.F. Mgcawu District Municipality | 21 832 | 21 500 | 22 477 | 58 516 | 61 039 | 63 799 | 4 787 | 5 007 | 5 234 | - | - | - | - | - | - | - | - | - | 85 135 | 87 546 | 91 510 |
| **Total: Z.F. Mgcawu Municipalities** | | **403 091** | **420 653** | **439 698** | **58 516** | **61 039** | **63 799** | **26 665** | **27 765** | **28 897** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **488 272** | **509 457** | **532 394** |
| B | NC091 Sol Plaatjie | 301 722 | 319 228 | 333 668 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 301 722 | 319 228 | 333 668 |
| B | NC092 Dikgatlong | 122 805 | 126 046 | 131 760 | - | - | - | 3 821 | 3 975 | 4 133 | - | - | - | - | - | - | - | - | - | 126 626 | 130 021 | 135 893 |
| B | NC093 Magareng | 63 473 | 64 745 | 67 681 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 66 283 | 67 668 | 70 720 |
| B | NC094 Phokwane | 141 754 | 145 559 | 152 158 | - | - | - | 4 555 | 4 736 | 4 923 | - | - | - | - | - | - | - | - | - | 146 309 | 150 295 | 157 081 |
| C | DC9 Frances Baard District Municipality | 13 625 | 13 422 | 14 032 | 130 094 | 135 704 | 141 841 | - | - | - | - | - | - | - | - | - | - | - | - | 143 719 | 149 126 | 155 873 |
| **Total: Frances Baard Municipalities** | | **643 379** | **669 000** | **699 299** | **130 094** | **135 704** | **141 841** | **11 186** | **11 634** | **12 095** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **784 659** | **816 338** | **853 235** |
| B | NC451 Joe Morolong | 186 339 | 189 428 | 198 023 | - | - | - | 7 946 | 8 270 | 8 604 | - | - | 24 808 | - | - | 25 949 | - | - | 27 122 | 194 285 | 197 698 | 206 627 |
| B | NC452 Ga-Segonyana | 244 804 | 251 341 | 262 735 | - | - | - | 6 936 | 7 213 | 7 499 | - | - | - | - | - | - | - | - | - | 251 740 | 258 554 | 270 234 |
| B | NC453 Gamagara | 67 309 | 71 482 | 74 715 | - | - | - | 3 602 | 3 746 | 3 893 | - | - | - | - | - | - | - | - | - | 70 911 | 75 228 | 78 608 |
| C | DC45 John Taolo Gaetsewe District Municipality | 47 463 | 48 269 | 50 457 | 60 134 | 62 726 | 65 563 | 4 787 | 5 007 | 5 234 | - | - | - | - | - | - | - | - | - | 112 384 | 116 002 | 121 254 |
| **Total: John Taolo Gaetsewe Municipalities** | | **545 915** | **560 520** | **585 930** | **60 134** | **62 726** | **65 563** | **23 271** | **24 236** | **25 230** | **-** | **-** | **24 808** | **-** | **-** | **25 949** | **-** | **-** | **27 122** | **629 320** | **647 482** | **676 723** |
| **Total: Northern Cape Municipalities** | | **2 249 230** | **2 325 147** | **2 430 498** | **328 787** | **342 964** | **358 473** | **112 953** | **117 603** | **122 384** | **-** | **-** | **24 808** | **-** | **-** | **25 949** | **-** | **-** | **27 122** | **2 690 970** | **2 785 714** | **2 911 355** |
| **NORTH WEST** | | | | | | | | | | | | | | | | | | | | | | |
| B | NW371 Moretele | 467 358 | 477 539 | 499 196 | - | - | - | 12 383 | 12 881 | 13 393 | - | - | - | - | - | - | - | - | - | 479 741 | 490 420 | 512 589 |
| B | NW372 Madibeng | 1 183 275 | 1 237 523 | 1 293 548 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 183 275 | 1 237 523 | 1 293 548 |
| B | NW373 Rustenburg | 1 237 278 | 1 313 997 | 1 373 417 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 1 237 278 | 1 313 997 | 1 373 417 |
| B | NW374 Kgetlengrivier | 141 261 | 146 962 | 153 618 | - | - | - | 3 126 | 3 250 | 3 378 | - | - | - | - | - | - | - | - | - | 144 387 | 150 212 | 156 996 |
| B | NW375 Moses Kotane | 598 949 | 613 659 | 641 483 | - | - | - | 16 461 | 17 122 | 17 801 | - | - | - | - | - | - | - | - | - | 615 410 | 630 781 | 659 284 |
| C | DC37 Bojanala Platinum District Municipality | 114 402 | 114 746 | 119 954 | 289 231 | 301 702 | 315 346 | 14 569 | 15 239 | 15 929 | - | - | - | - | - | - | - | - | - | 418 202 | 431 687 | 451 229 |
| **Total: Bojanala Platinum Municipalities** | | **3 742 523** | **3 904 426** | **4 081 216** | **289 231** | **301 702** | **315 346** | **46 539** | **48 492** | **50 501** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **4 078 293** | **4 254 620** | **4 447 063** |
| B | NW381 Ratlou | 161 763 | 160 901 | 168 209 | - | - | - | 6 854 | 7 130 | 7 415 | 62 811 | 39 301 | - | 68 347 | 41 109 | - | 71 437 | 42 968 | - | 168 617 | 168 031 | 175 624 |
| B | NW382 Tswaing | 154 788 | 155 140 | 162 183 | - | - | - | 6 668 | 6 936 | 7 211 | 69 983 | 43 789 | - | 76 151 | 45 803 | - | 79 595 | 47 874 | - | 161 456 | 162 076 | 169 394 |
| B | NW383 Mafikeng | 384 323 | 386 536 | 404 077 | - | - | - | - | - | - | 191 291 | 119 692 | - | 208 151 | 125 198 | - | 217 564 | 130 859 | - | 384 323 | 386 536 | 404 077 |
| B | NW384 Ditsobotla | 188 959 | 191 216 | 199 888 | - | - | - | - | - | - | 101 207 | 63 326 | - | 110 127 | 66 238 | - | 115 107 | 69 234 | - | 188 959 | 191 216 | 199 888 |
| B | NW385 Ramotshere Moiloa | 235 440 | 234 493 | 245 143 | - | - | - | 8 841 | 9 195 | 9 559 | 97 164 | 60 796 | - | 105 727 | 63 592 | - | 110 508 | 66 468 | - | 244 281 | 243 688 | 254 702 |
| C | DC38 Ngaka Modiri Molema District Municipality | 896 131 | 956 961 | 1 000 244 | 282 202 | 294 370 | 307 681 | - | - | - | - | - | - | - | - | - | - | - | - | 1 178 333 | 1 251 331 | 1 307 925 |
| **Total: Ngaka Modiri Molema Municipalities** | | **2 021 404** | **2 085 247** | **2 179 744** | **282 202** | **294 370** | **307 681** | **22 363** | **23 261** | **24 185** | **522 455** | **326 903** | **-** | **568 503** | **341 941** | **-** | **594 211** | **357 403** | **-** | **2 325 969** | **2 402 878** | **2 511 610** |
| B | NW392 Naledi | 69 935 | 70 819 | 74 031 | - | - | - | 4 286 | 4 459 | 4 636 | 36 148 | 22 618 | - | 39 334 | 23 658 | - | 41 113 | 24 728 | - | 74 221 | 75 278 | 78 667 |
| B | NW393 Mamusa | 72 550 | 72 682 | 75 982 | - | - | - | 3 810 | 3 963 | 4 121 | 30 155 | 18 868 | - | 32 813 | 19 736 | - | 34 297 | 20 629 | - | 76 360 | 76 645 | 80 103 |
| B | NW394 Greater Taung | 244 378 | 242 160 | 253 163 | - | - | - | 11 430 | 11 890 | 12 362 | 92 699 | 58 002 | - | 100 869 | 60 670 | - | 105 431 | 63 414 | - | 255 808 | 254 050 | 265 525 |
| B | NW396 Lekwa-Teemane | 66 305 | 66 772 | 69 802 | - | - | - | 3 538 | 3 682 | 3 829 | 30 391 | 19 016 | - | 33 070 | 19 891 | - | 34 565 | 20 790 | - | 69 843 | 70 454 | 73 631 |
| B | NW397 Kagisano-Molopo | 153 543 | 152 375 | 159 298 | - | - | - | 6 936 | 7 213 | 7 499 | 57 036 | 35 688 | - | 62 063 | 37 329 | - | 64 869 | 39 017 | - | 160 479 | 159 588 | 166 797 |
| C | DC39 Dr Ruth Segomotsi Mompati District Municipality | 447 782 | 475 876 | 497 406 | 82 338 | 85 888 | 89 772 | 6 452 | 6 749 | 7 054 | - | - | - | - | - | - | - | - | - | 536 572 | 568 513 | 594 232 |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | **1 054 493** | **1 080 684** | **1 129 682** | **82 338** | **85 888** | **89 772** | **36 452** | **37 956** | **39 501** | **246 429** | **154 192** | **-** | **268 149** | **161 285** | **-** | **280 275** | **168 578** | **-** | **1 173 283** | **1 204 528** | **1 258 955** |
| B | NW403 City of Matlosana | 682 357 | 719 110 | 751 647 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 682 357 | 719 110 | 751 647 |
| B | NW404 Maquassi Hills | 183 880 | 189 881 | 198 486 | - | - | - | 5 239 | 5 450 | 5 666 | - | - | - | - | - | - | - | - | - | 189 119 | 195 331 | 204 152 |
| B | NW405 JB Marks | 438 648 | 463 132 | 484 084 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 438 648 | 463 132 | 484 084 |
| C | DC40 Dr Kenneth Kaunda District Municipality | 32 981 | 32 768 | 34 256 | 192 095 | 200 378 | 209 439 | - | - | - | - | - | - | - | - | - | - | - | - | 225 076 | 233 146 | 243 695 |
| **Total: Dr Kenneth Kaunda Municipalities** | | **1 337 866** | **1 404 891** | **1 468 473** | **192 095** | **200 378** | **209 439** | **5 239** | **5 450** | **5 666** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 535 200** | **1 610 719** | **1 683 578** |
| **Total: North West Municipalities** | | **8 156 286** | **8 475 248** | **8 859 115** | **845 866** | **882 338** | **922 238** | **110 593** | **115 159** | **119 853** | **768 885** | **481 095** | **-** | **836 652** | **503 225** | **-** | **874 486** | **525 982** | **-** | **9 112 745** | **9 472 745** | **9 901 206** |

**APPENDIX W1**

**APPENDIX TO SCHEDULE 3: EQUITABLE SHARE ALLOCATIONS TO MUNICIPALITIES**

**(EQUITABLE SHARE FORMULA ALLOCATIONS + RSC LEVIES REPLACEMENT + SPECIAL SUPPORT FOR COUNCILLOR REMUNERATION AND WARD COMMITTEES + BREAKDOWN OF EQUITABLE SHARE ALLOCATIONS PER LOCAL MUNICIPALITY PER SERVICE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

| | | Equitable Share Formula | | | RSC Levies Replacement | | | Special Support for Councillor Remuneration and Ward Committees | | | BREAKDOWN OF EQUITABLE SHARE FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES | | | | | | | | | TOTAL ALLOCATIONS TO MUNICIPALITIES | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) | Water | Sanitation | Refuse | Water | Sanitation | Refuse | Water | Sanitation | Refuse | 2025/26 (R'000) | 2026/27 (R'000) | 2027/28 (R'000) |
| | | | | | | | | | | | 2025/26 R'(000) | | | 2026/27 R'(000) | | | 2027/28 R'(000) | | | | | |
| **WESTERN CAPE** | | | | | | | | | | | | | | | | | | | | | | |
| A | CPT City of Cape Town | 4 693 517 | 4 984 545 | 5 209 949 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 4 693 517 | 4 984 545 | 5 209 949 |
| B | WC011 Matzikama | 83 727 | 88 673 | 92 684 | - | - | - | 3 602 | 3 746 | 3 893 | - | - | - | - | - | - | - | - | - | 87 329 | 92 419 | 96 577 |
| B | WC012 Cederberg | 72 955 | 76 670 | 80 140 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 75 765 | 79 593 | 83 179 |
| B | WC013 Bergrivier | 69 969 | 74 308 | 77 668 | - | - | - | 3 126 | 3 250 | 3 378 | - | - | - | - | - | - | - | - | - | 73 095 | 77 558 | 81 046 |
| B | WC014 Saldanha Bay | 142 017 | 150 690 | 157 505 | - | - | - | 6 460 | 6 718 | 6 984 | - | - | - | - | - | - | - | - | - | 148 477 | 157 408 | 164 489 |
| B | WC015 Swartland | 165 310 | 175 560 | 183 499 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 165 310 | 175 560 | 183 499 |
| C | DC1 West Coast District Municipality | 24 959 | 24 816 | 25 943 | 87 598 | 91 375 | 95 507 | - | - | - | - | - | - | - | - | - | - | - | - | 112 557 | 116 191 | 121 450 |
| **Total: West Coast Municipalities** | | **558 937** | **590 717** | **617 439** | **87 598** | **91 375** | **95 507** | **15 998** | **16 637** | **17 294** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **662 533** | **698 729** | **730 240** |
| B | WC022 Witzenberg | 156 647 | 166 360 | 173 883 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 156 647 | 166 360 | 173 883 |
| B | WC023 Drakenstein | 248 963 | 264 400 | 276 357 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 248 963 | 264 400 | 276 357 |
| B | WC024 Stellenbosch | 231 793 | 246 166 | 257 298 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 231 793 | 246 166 | 257 298 |
| B | WC025 Breede Valley | 187 489 | 199 115 | 208 119 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 187 489 | 199 115 | 208 119 |
| B | WC026 Langeberg | 116 118 | 122 959 | 128 521 | - | - | - | 5 507 | 5 727 | 5 954 | - | - | - | - | - | - | - | - | - | 121 625 | 128 686 | 134 475 |
| C | DC2 Cape Winelands District Municipality | 3 120 | 3 096 | 3 237 | 270 761 | 282 435 | 295 207 | - | - | - | - | - | - | - | - | - | - | - | - | 273 881 | 285 531 | 298 444 |
| **Total: Cape Winelands Municipalities** | | **944 130** | **1 002 096** | **1 047 415** | **270 761** | **282 435** | **295 207** | **5 507** | **5 727** | **5 954** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 220 398** | **1 290 258** | **1 348 576** |
| B | WC031 Theewaterskloof | 150 030 | 158 221 | 165 379 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 150 030 | 158 221 | 165 379 |
| B | WC032 Overstrand | 172 808 | 181 999 | 190 234 | - | - | - | 6 460 | 6 718 | 6 984 | - | - | - | - | - | - | - | - | - | 179 268 | 188 717 | 197 218 |
| B | WC033 Cape Agulhas | 42 997 | 45 352 | 47 404 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 45 807 | 48 275 | 50 443 |
| B | WC034 Swellendam | 46 602 | 49 193 | 51 419 | - | - | - | 2 810 | 2 923 | 3 039 | - | - | - | - | - | - | - | - | - | 49 412 | 52 116 | 54 458 |
| C | DC3 Overberg District Municipality | 27 721 | 27 415 | 28 661 | 60 638 | 63 252 | 66 113 | - | - | - | - | - | - | - | - | - | - | - | - | 88 359 | 90 667 | 94 774 |
| **Total: Overberg Municipalities** | | **440 158** | **462 180** | **483 097** | **60 638** | **63 252** | **66 113** | **12 080** | **12 564** | **13 062** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **512 876** | **537 996** | **562 272** |
| B | WC041 Kannaland | 37 163 | 38 507 | 40 251 | - | - | - | 1 799 | 1 871 | 1 945 | - | - | - | - | - | - | - | - | - | 38 962 | 40 378 | 42 196 |
| B | WC042 Hessequa | 63 052 | 66 672 | 69 688 | - | - | - | 4 326 | 4 501 | 4 680 | - | - | - | - | - | - | - | - | - | 67 378 | 71 173 | 74 368 |
| B | WC043 Mossel Bay | 141 523 | 149 221 | 155 972 | - | - | - | 6 936 | 7 213 | 7 499 | - | - | - | - | - | - | - | - | - | 148 459 | 156 434 | 163 471 |
| B | WC044 George | 247 778 | 263 142 | 275 041 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 247 778 | 263 142 | 275 041 |
| B | WC045 Oudtshoorn | 102 308 | 107 113 | 111 962 | - | - | - | 5 983 | 6 223 | 6 469 | - | - | - | - | - | - | - | - | - | 108 291 | 113 336 | 118 431 |
| B | WC047 Bitou | 158 161 | 164 653 | 172 109 | - | - | - | 3 126 | 3 250 | 3 378 | - | - | - | - | - | - | - | - | - | 161 287 | 167 903 | 175 487 |
| B | WC048 Knysna | 132 877 | 139 350 | 145 657 | - | - | - | 5 031 | 5 232 | 5 439 | - | - | - | - | - | - | - | - | - | 137 908 | 144 582 | 151 096 |
| C | DC4 Garden Route District Municipality | 23 925 | 23 731 | 24 809 | 164 101 | 171 177 | 178 918 | - | - | - | - | - | - | - | - | - | - | - | - | 188 026 | 194 908 | 203 727 |
| **Total: Garden Route Municipalities** | | **906 787** | **952 389** | **995 489** | **164 101** | **171 177** | **178 918** | **27 201** | **28 290** | **29 410** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1 098 089** | **1 151 856** | **1 203 817** |
| B | WC051 Laingsburg | 21 497 | 22 053 | 23 053 | - | - | - | 1 799 | 1 871 | 1 945 | - | - | - | - | - | - | - | - | - | 23 296 | 23 924 | 24 998 |
| B | WC052 Prince Albert | 29 502 | 30 415 | 31 793 | - | - | - | 1 799 | 1 871 | 1 945 | - | - | - | - | - | - | - | - | - | 31 301 | 32 286 | 33 738 |
| B | WC053 Beaufort West | 89 465 | 93 003 | 97 215 | - | - | - | 3 315 | 3 449 | 3 586 | - | - | - | - | - | - | - | - | - | 92 780 | 96 452 | 100 801 |
| C | DC5 Central Karoo District Municipality | 19 233 | 18 875 | 19 730 | 16 726 | 17 452 | 18 237 | 3 125 | 3 258 | 3 421 | - | - | - | - | - | - | - | - | - | 39 084 | 39 585 | 41 389 |
| **Total: Central Karoo Municipalities** | | **159 697** | **164 346** | **171 791** | **16 726** | **17 452** | **18 237** | **10 038** | **10 449** | **10 897** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **186 461** | **192 247** | **200 926** |
| **Total: Western Cape Municipalities** | | **7 703 226** | **8 156 273** | **8 525 180** | **599 824** | **625 691** | **653 982** | **70 824** | **73 667** | **76 617** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **8 373 874** | **8 855 631** | **9 255 780** |
| **National Total** | | **98 063 237** | **102 294 551** | **106 926 408** | **6 908 841** | **7 206 742** | **7 532 635** | **1 114 944** | **1 160 068** | **1 206 492** | **7 958 145** | **4 979 452** | **24 808** | **8 659 556** | **5 208 507** | **25 949** | **9 051 146** | **5 444 039** | **27 122** | **106 087 022** | **110 661 361** | **115 665 536** |

**APPENDIX W2**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)**

**(BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)**

**(National and Municipal Financial Years)**

## APPENDIX W2

### APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

### (BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

| | | | Schedule 5, Part B | | | | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Breakdown of MIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | |
| | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | | | | | | | |
| B | EC121 | Mbhashe | 188 759 | 206 220 | 216 346 | 24 000 | 27 000 | 27 000 | - | - | - |
| B | EC122 | Mnquma | 175 715 | 191 969 | 201 395 | 17 000 | 17 000 | 17 000 | - | - | - |
| B | EC123 | Great Kei | 10 738 | 11 731 | 12 307 | 22 800 | 23 000 | 24 000 | - | - | - |
| B | EC124 | Amahlathi | 42 209 | 46 113 | 48 378 | 10 313 | 14 000 | 15 500 | - | - | - |
| B | EC126 | Ngqushwa | 34 575 | 37 774 | 39 629 | 15 400 | 17 000 | 17 000 | - | - | - |
| B | EC129 | Raymond Mhlaba | 54 677 | 59 735 | 62 668 | 10 103 | 12 000 | 15 000 | - | - | - |
| **Total: Amathole Municipalities** | | | **506 673** | **553 542** | **580 723** | **99 616** | **110 000** | **115 500** | **-** | **-** | **-** |
| B | EC131 | Inxuba Yethemba | 6 082 | 6 644 | 6 971 | 6 000 | 6 000 | 8 200 | - | - | - |
| B | EC135 | Intsika Yethu | 106 330 | 116 166 | 121 871 | 16 000 | 17 000 | 17 100 | - | - | - |
| B | EC136 | Emalahleni | 53 586 | 58 543 | 61 418 | 21 000 | 18 000 | 18 150 | - | - | - |
| B | EC137 | Dr. A.B. Xuma | 98 430 | 107 535 | 112 816 | 8 455 | 7 000 | 8 100 | - | - | - |
| B | EC138 | Sakhisizwe | 23 786 | 25 986 | 27 262 | 22 000 | 20 000 | 20 000 | - | - | - |
| B | EC139 | Enoch Mgijima | 49 819 | 54 428 | 57 100 | 7 000 | 7 000 | 7 230 | - | - | - |
| **Total: Chris Hani Municipalities** | | | **338 033** | **369 302** | **387 438** | **80 455** | **75 000** | **78 780** | **-** | **-** | **-** |
| B | EC141 | Elundini | 99 898 | 109 139 | 114 498 | 22 000 | 19 000 | 19 900 | - | - | - |
| B | EC142 | Senqu | 68 839 | 75 207 | 78 900 | 22 000 | 19 000 | 20 050 | - | - | - |
| B | EC145 | Walter Sisulu | 12 917 | 14 112 | 14 805 | 22 000 | 19 000 | 19 900 | - | - | - |
| **Total: Joe Gqabi Municipalities** | | | **181 654** | **198 458** | **208 203** | **66 000** | **57 000** | **59 850** | **-** | **-** | **-** |
| B | EC153 | Ngquza Hill | 169 429 | 185 102 | 194 191 | 35 000 | 23 000 | 20 000 | - | - | - |
| B | EC154 | Port St Johns | 96 350 | 105 263 | 110 431 | 8 000 | 14 000 | 16 050 | - | - | - |
| B | EC155 | Nyandeni | 173 439 | 189 483 | 198 787 | 8 000 | 14 000 | 16 100 | - | - | - |
| B | EC156 | Mhlontlo | 109 073 | 119 162 | 125 013 | 32 000 | 21 000 | 20 000 | - | - | - |
| B | EC157 | King Sabata Dalindyebo | 201 191 | 219 802 | 230 595 | 12 000 | 13 000 | 17 100 | - | - | - |
| **Total: O.R. Tambo Municipalities** | | | **749 482** | **818 812** | **859 017** | **95 000** | **85 000** | **89 250** | **-** | **-** | **-** |
| B | EC441 | Matatiele | 107 765 | 117 734 | 123 515 | 20 000 | 22 000 | 23 500 | - | - | - |
| B | EC442 | Umzimvubu | 109 269 | 119 376 | 125 238 | 25 000 | 25 000 | 26 150 | - | - | - |
| B | EC443 | Winnie Madikizela-Mandela | 158 414 | 173 068 | 181 566 | 20 000 | 23 000 | 25 100 | - | - | - |
| B | EC444 | Ntabankulu | 67 216 | 73 434 | 77 039 | 25 000 | 25 000 | 25 000 | - | - | - |
| **Total: Alfred Nzo Municipalities** | | | **442 664** | **483 612** | **507 358** | **90 000** | **95 000** | **99 750** | **-** | **-** | **-** |
| | | | | | | | | | | | |
| **Total: Eastern Cape Municipalities** | | | **2 218 506** | **2 423 726** | **2 542 739** | **431 071** | **422 000** | **443 130** | **-** | **-** | **-** |

## APPENDIX W2

### APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

### (BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

| | | Schedule 5, Part B | | | | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Breakdown of MIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | |
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **KWAZULU-NATAL** | | | | | | | | | | |
| B | KZN212 uMdoni | 51 648 | 56 425 | 59 196 | 20 000 | 25 000 | 25 150 | - | - | - |
| B | KZN213 uMzumbe | 91 720 | 100 204 | 105 124 | 20 000 | 25 000 | 22 200 | - | - | - |
| B | KZN214 uMuziwabantu | 41 119 | 44 922 | 47 128 | 20 000 | 20 000 | 23 150 | - | - | - |
| B | KZN216 Ray Nkonyeni | 98 140 | 107 218 | 112 483 | 40 000 | 40 000 | 45 000 | - | - | - |
| **Total: Ugu Municipalities** | | **282 627** | **308 769** | **323 931** | **100 000** | **110 000** | **115 500** | **-** | **-** | **-** |
| B | KZN221 uMshwathi | 32 491 | 35 497 | 37 240 | 30 000 | 30 000 | 30 000 | - | - | - |
| B | KZN222 uMngeni | 21 652 | 23 655 | 24 816 | 15 500 | 13 500 | 13 750 | - | - | - |
| B | KZN223 Mpofana | 8 598 | 9 393 | 9 854 | 15 500 | 13 500 | 13 750 | - | - | - |
| B | KZN224 iMpendle | 12 533 | 13 692 | 14 365 | 15 500 | 13 500 | 13 500 | - | - | - |
| B | KZN226 Mkhambathini | 21 164 | 23 122 | 24 257 | 12 500 | 13 500 | 13 500 | - | - | - |
| B | KZN227 Richmond | 19 881 | 21 720 | 22 786 | 21 000 | 26 000 | 26 000 | - | - | - |
| **Total: uMgungundlovu Municipalities** | | **116 319** | **127 079** | **133 318** | **110 000** | **110 000** | **110 500** | **-** | **-** | **-** |
| B | KZN235 Okhahlamba | 51 575 | 56 346 | 59 113 | 27 500 | 27 500 | 32 500 | - | - | - |
| B | KZN237 iNkosi Langalibalele | 69 683 | 76 129 | 79 867 | 45 000 | 45 000 | 50 000 | - | - | - |
| B | KZN238 Alfred Duma | 92 901 | 101 495 | 106 479 | 27 500 | 27 500 | 33 000 | - | - | - |
| **Total: uThukela Municipalities** | | **214 159** | **233 970** | **245 459** | **100 000** | **100 000** | **115 500** | **-** | **-** | **-** |
| B | KZN241 eNdumeni | 10 683 | 11 671 | 12 244 | 8 000 | 11 000 | 13 000 | - | - | - |
| B | KZN242 Nquthu | 56 399 | 61 617 | 64 642 | 8 000 | 11 000 | 12 500 | - | - | - |
| B | KZN244 uMsinga | 92 871 | 101 462 | 106 444 | 67 000 | 67 000 | 67 000 | - | - | - |
| B | KZN245 uMvoti | 59 170 | 64 643 | 67 817 | 8 000 | 11 000 | 12 500 | - | - | - |
| **Total: uMzinyathi Municipalities** | | **219 123** | **239 393** | **251 147** | **91 000** | **100 000** | **105 000** | **-** | **-** | **-** |
| B | KZN253 eMadlangeni | 12 003 | 13 113 | 13 757 | 75 000 | 75 000 | 79 000 | - | - | - |
| B | KZN254 Dannhauser | 31 284 | 34 178 | 35 856 | 25 000 | 25 000 | 26 000 | - | - | - |
| **Total: Amajuba Municipalities** | | **43 287** | **47 291** | **49 613** | **100 000** | **100 000** | **105 000** | **-** | **-** | **-** |

## APPENDIX W2

### APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

### (BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

| | | Schedule 5, Part B | | | | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Breakdown of MIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | |
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| B | KZN261 eDumbe | 18 359 | 20 057 | 21 042 | 25 000 | 27 000 | 29 000 | - | - | - |
| B | KZN262 uPhongolo | 52 488 | 57 344 | 60 159 | 5 000 | 10 000 | 10 000 | - | - | - |
| B | KZN263 AbaQulusi | 56 442 | 61 664 | 64 691 | 20 000 | 24 000 | 25 000 | - | - | - |
| B | KZN265 Nongoma | 82 138 | 89 736 | 94 143 | 25 000 | 27 000 | 28 000 | - | - | - |
| B | KZN266 Ulundi | 54 541 | 59 586 | 62 512 | 25 000 | 27 000 | 28 000 | - | - | - |
| **Total: Zululand Municipalities** | | **263 968** | **288 387** | **302 547** | **100 000** | **115 000** | **120 000** | **-** | **-** | **-** |
| B | KZN271 uMhlabuyalingana | 70 326 | 76 831 | 80 604 | - | - | - | 66 050 | 125 000 | 130 000 |
| B | KZN272 Jozini | 84 261 | 92 055 | 96 575 | - | - | - | 57 331 | 95 458 | 99 276 |
| B | KZN275 Inkosi uMtubatuba | 63 471 | 69 343 | 72 748 | - | - | - | 44 400 | 96 218 | 100 067 |
| B | KZN276 Big Five Hlabisa | 32 604 | 35 620 | 37 369 | - | - | - | 67 550 | 140 979 | 146 618 |
| **Total: uMkhanyakude Municipalities** | | **250 662** | **273 849** | **287 296** | **-** | **-** | **-** | **235 331** | **457 655** | **475 961** |
| B | KZN281 uMfolozi | 38 037 | 41 555 | 43 596 | 29 000 | 31 000 | 29 250 | - | - | - |
| B | KZN284 uMlalazi | 86 444 | 94 441 | 99 078 | 21 000 | 22 000 | 29 250 | - | - | - |
| B | KZN285 Mthonjaneni | 33 094 | 36 156 | 37 931 | 21 000 | 22 000 | 29 250 | - | - | - |
| B | KZN286 Nkandla | 41 019 | 44 813 | 47 013 | 29 000 | 30 000 | 33 000 | - | - | - |
| **Total: King Cetshwayo Municipalities** | | **198 594** | **216 965** | **227 618** | **100 000** | **105 000** | **120 750** | **-** | **-** | **-** |
| B | KZN291 Mandeni | 49 012 | 53 546 | 56 175 | 25 000 | 26 250 | 27 250 | - | - | - |
| B | KZN292 KwaDukuza | 73 670 | 80 485 | 84 437 | 25 000 | 26 250 | 28 175 | - | - | - |
| B | KZN293 Ndwedwe | 51 239 | 55 979 | 58 728 | 25 000 | 26 250 | 28 075 | - | - | - |
| B | KZN294 Maphumulo | 50 626 | 55 309 | 58 025 | 25 000 | 26 250 | 27 250 | - | - | - |
| **Total: iLembe Municipalities** | | **224 547** | **245 319** | **257 365** | **100 000** | **105 000** | **110 750** | **-** | **-** | **-** |
| B | KZN433 Greater Kokstad | 12 247 | 13 380 | 14 037 | 5 000 | 12 500 | 12 250 | - | - | - |
| B | KZN434 Johannes Phumani Phungula | 55 079 | 60 174 | 63 129 | 40 000 | 40 000 | 43 250 | - | - | - |
| B | KZN435 uMzimkhulu | 113 372 | 123 860 | 129 941 | 50 000 | 50 000 | 53 250 | - | - | - |
| B | KZN436 Dr Nkosazana Dlamini Zuma | 53 308 | 58 239 | 61 099 | 5 000 | 12 500 | 12 000 | - | - | - |
| **Total: Harry Gwala Municipalities** | | **234 006** | **255 653** | **268 206** | **100 000** | **115 000** | **120 750** | **-** | **-** | **-** |
| | | | | | | | | | | |
| **Total: KwaZulu-Natal Municipalities** | | **2 047 292** | **2 236 675** | **2 346 500** | **901 000** | **960 000** | **1 023 750** | **235 331** | **457 655** | **475 961** |

## APPENDIX W2

### APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

### (BREAKDOWN OF MIG AND WSIG ALLOCATIONS PER LOCAL MUNICIPALITY FOR DISTRICT MUNICIPALITIES AUTHORISED FOR SERVICES)

| | | Schedule 5, Part B | | | | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Breakdown of MIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | | Breakdown of WSIG allocations for district municipalities authorised for services | | |
| | | National and Municipal Financial Year | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Category | Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **LIMPOPO** | | | | | | | | | | |
| B | LIM331 Greater Giyani | 135 016 | 147 505 | 154 748 | - | - | - | 136 000 | 130 416 | 182 703 |
| B | LIM332 Greater Letaba | 107 135 | 117 046 | 122 793 | - | - | - | - | - | - |
| B | LIM333 Greater Tzaneen | 212 763 | 232 445 | 243 859 | - | - | - | - | - | - |
| B | LIM334 Ba-Phalaborwa | 38 212 | 41 746 | 43 796 | - | - | - | - | - | - |
| B | LIM335 Maruleng | 45 796 | 50 032 | 52 489 | - | - | - | - | - | - |
| **Total: Mopani Municipalities** | | **538 922** | **588 774** | **617 685** | **-** | **-** | **-** | **136 000** | **130 416** | **182 703** |
| B | LIM341 Musina | 33 111 | 36 174 | 37 950 | 5 000 | 8 460 | 6 359 | - | - | - |
| B | LIM343 Thulamela | 222 831 | 243 444 | 255 398 | 67 217 | 67 172 | 70 905 | - | - | - |
| B | LIM344 Makhado | 190 399 | 208 011 | 218 225 | 5 000 | 8 567 | 6 250 | - | - | - |
| B | LIM345 Collins Chabane | 165 008 | 180 272 | 189 123 | 5 000 | 8 538 | 6 360 | - | - | - |
| **Total: Vhembe Municipalities** | | **611 349** | **667 901** | **700 696** | **82 217** | **92 737** | **89 874** | **-** | **-** | **-** |
| B | LIM351 Blouberg | 95 560 | 104 400 | 109 526 | 52 000 | 49 000 | 55 263 | - | - | - |
| B | LIM353 Molemole | 63 783 | 69 683 | 73 104 | 52 000 | 60 000 | 62 287 | - | - | - |
| B | LIM355 Lepele-Nkumpi | 111 566 | 121 886 | 127 871 | 51 000 | 31 022 | 31 223 | - | - | - |
| **Total: Capricorn Municipalities** | | **270 909** | **295 969** | **310 501** | **155 000** | **140 022** | **148 773** | **-** | **-** | **-** |
| B | LIM471 Ephraim Mogale | 56 152 | 61 347 | 64 359 | - | - | - | 12 000 | 10 000 | 10 000 |
| B | LIM472 Elias Motsoaledi | 135 042 | 147 534 | 154 778 | - | - | - | 19 000 | 18 220 | 18 881 |
| B | LIM473 Makhuduthamaga | 154 143 | 168 402 | 176 671 | - | - | - | 19 000 | 15 000 | 18 000 |
| B | LIM476 Fetakgomo Tubatse | 218 402 | 238 605 | 250 321 | - | - | - | 20 000 | 20 000 | 20 000 |
| **Total: Sekhukhune Municipalities** | | **563 739** | **615 888** | **646 129** | **-** | **-** | **-** | **70 000** | **63 220** | **66 881** |
| | | | | | | | | | | |
| **Total: Limpopo Municipalities** | | **1 984 919** | **2 168 532** | **2 275 011** | **237 217** | **232 759** | **238 647** | **206 000** | **193 636** | **249 584** |
| **NORTH WEST** | | | | | | | | | | |
| B | NW381 Ratlou | 57 964 | 63 326 | 66 435 | - | - | - | - | - | - |
| B | NW382 Tswaing | 44 913 | 49 068 | 51 477 | - | - | - | - | - | - |
| B | NW383 Mafikeng | 129 637 | 141 629 | 148 583 | - | - | - | - | - | - |
| B | NW384 Ditsobotla | 53 761 | 58 735 | 61 619 | - | - | - | - | - | - |
| B | NW385 Ramotshere Moiloa | 67 250 | 73 471 | 77 079 | - | - | - | 142 378 | 142 378 | 148 071 |
| **Total: Ngaka Modiri Molema Municipalities** | | **353 525** | **386 229** | **405 193** | **-** | **-** | **-** | **142 378** | **142 378** | **148 071** |
| B | NW392 Naledi | 13 883 | 15 168 | 15 912 | - | - | - | - | - | - |
| B | NW393 Mamusa | 11 819 | 12 913 | 13 547 | 17 120 | 23 000 | 24 000 | - | - | - |
| B | NW394 Greater Taung | 85 901 | 93 847 | 98 455 | 32 114 | 39 100 | 37 100 | - | - | - |
| B | NW396 Lekwa-Teemane | 4 842 | 5 290 | 5 550 | 14 033 | 22 000 | 24 000 | - | - | - |
| B | NW397 Kagisano-Molopo | 43 724 | 47 772 | 50 117 | 60 000 | 45 000 | 46 000 | - | - | - |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | **160 169** | **174 990** | **183 581** | **123 267** | **129 100** | **131 100** | **-** | **-** | **-** |
| | | | | | | | | | | |
| **Total: North West Municipalities** | | **513 694** | **561 219** | **588 774** | **123 267** | **129 100** | **131 100** | **142 378** | **142 378** | **148 071** |
| | | | | | | | | | | |
| **National Total** | | **6 764 411** | **7 390 152** | **7 753 024** | **1 692 555** | **1 743 859** | **1 836 627** | **583 709** | **793 669** | **873 616** |

**APPENDIX W3**

**APPENDIX TO SCHEDULE 5, PART B: MUNICIPAL INFRASTRUCTURE GRANT**

**RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY**

**(National and Municipal Financial Years)**

**APPENDIX W3**

**APPENDIX TO SCHEDULE 5, PART B: MUNICIPAL INFRASTRUCTURE GRANT**

**RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY**

| | | | Ring-fenced Municipal Infrastructure Grant allocations for sport infrastructure | | |
|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | |
| Category | Municipality | Project | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | |
| B | EC101 Dr Beyers Naude | Upgrading of Collie Koeberg Sport Field | 10 000 | - | - |
| **Total: Sarah Baartman Municipalities** | | | **10 000** | **-** | **-** |
| B | EC124 Amahlathi | Construction of Mlungisi Sport field | 5 600 | - | - |
| B | EC126 Ngqushwa | Upgrading of New Creation Sport Field Phase 2 | 10 000 | - | - |
| **Total: Amathole Municipalities** | | | **15 600** | **-** | **-** |
| B | EC131 Inxuba Yethemba | Refurbishment of Cradock Sport Field (Ward 5) Phase 2 | 5 000 | - | - |
| B | EC136 Emalahleni | Upgrading of Indwe Sport Field | 10 000 | - | - |
| B | EC138 Sakhisizwe | Construction of Cala Sport Field | 6 000 | - | - |
| **Total: Chris Hani Municipalities** | | | **21 000** | **-** | **-** |
| B | EC155 Nyandeni | Construction of Nomcamba Sport Field | 9 900 | - | - |
| **Total: O.R. Tambo Municipalities** | | | **9 900** | **-** | **-** |
| B | EC443 Winnie Madikizela-Mandela | Upgrading of Mphuthumi Mafumbatha Sport Field Phase 4 | 7 500 | - | - |
| B | EC444 Ntabankulu | Upgrading of Ntabankulu Sport Field and Mbangweni/Magombeni sportfield | 11 500 | - | - |
| **Total: Alfred Nzo Municipalities** | | | **19 000** | **-** | **-** |
| | | | | | |
| **Total: Eastern Cape Municipalities** | | | **75 500** | **-** | **-** |
| B | FS161 Letsemeng | Construction of Bolokanang Sport Field | 3 000 | - | - |
| B | FS162 Kopanong | Refurbishment of Kopanong Jagersfontein Swimming Pool | 9 000 | - | - |
| B | FS163 Mohokare | Construction of Roleleathunya Sport Field | 10 000 | - | - |
| **Total: Xhariep Municipalities** | | | **22 000** | **-** | **-** |
| B | FS191 Setsoto | Upgrading of of Hlohlowane sport field | 10 000 | - | - |
| **Total: Thabo Mofutsanyana Municipalities** | | | **10 000** | **-** | **-** |
| **Total: Free State Municipalities** | | | **32 000** | **-** | **-** |
| B | GT484 Merafong City | Construction of Khutsong Ext. 5 Sport Field | 10 000 | - | - |
| **Total: West Rand Municipalities** | | | **10 000** | **-** | **-** |
| **Total: Gauteng Municipalities** | | | **10 000** | **-** | **-** |
| **KWAZULU-NATAL** | | | | | |
| B | KZN214 uMuziwabantu | Construction of Harding Sport Precinct phase 3 | 13 000 | - | - |
| **Total: Ugu Municipalities** | | | **13 000** | **-** | **-** |
| B | KZN221 uMshwathi | Upgrading of Mpolweni Sport field | 13 000 | - | - |
| B | KZN222 uMngeni | Construction of National Rowing Training Centre Phase 1 | 20 000 | - | - |
| **Total: uMgungundlovu Municipalities** | | | **33 000** | **-** | **-** |
| B | KZN244 uMsinga | Construction of Ndanyana Sport field | 13 000 | - | - |
| **Total: uMzinyathi Municipalities** | | | **13 000** | **-** | **-** |
| B | KZN271 uMhlabuyalingana | Upgrading of Manguzi Sport Field Phase 2 | 4 500 | - | - |
| **Total: uMkhanyakude Municipalities** | | | **4 500** | **-** | **-** |
| B | KZN285 Mthonjaneni | Upgrading of Mthonjaneni Multipurpose Centre | 7 500 | - | - |
| **Total: King Cetshwayo Municipalities** | | | **7 500** | **-** | **-** |
| B | KZN291 Mandeni | Construction of Khenana Sport field | 3 500 | - | - |
| B | KZN293 Ndwedwe | Construction of Ndwedwe Regional Sport field | 10 000 | - | - |
| **Total: iLembe Municipalities** | | | **13 500** | **-** | **-** |
| B | KZN436 Dr Nkosazana Dlamini Zuma | Construction of Creighton Regional Sport Centre phase 3 | 6 000 | - | - |
| **Total: Harry Gwala Municipalities** | | | **6 000** | **-** | **-** |
| | | | | | |
| **Total: KwaZulu-Natal Municipalities** | | | **90 500** | **-** | **-** |
| **LIMPOPO** | | | | | |
| B | LIM332 Greater Letaba | Upgrading of Mamanyoha sport complex phase 2 | 10 000 | - | - |
| B | LIM333 Greater Tzaneen | Construction of Joppie Sport Facility | 5 000 | - | - |
| **Total: Mopani Municipalities** | | | **15 000** | **-** | **-** |
| B | LIM343 Thulamela | Construction of Tshilapfene sport facility and Construction of Combo courts at Thengwe Mapate, Gondeni Sterkstroom and Tshikambe also including out door gym at Ngovhela Village | 15 000 | - | - |
| **Total: Vhembe Municipalities** | | | **15 000** | **-** | **-** |
| B | LIM353 Molemole | Construction of Mogwadi Sport Field | 10 000 | - | - |
| **Total: Capricorn Municipalities** | | | **10 000** | **-** | **-** |
| | | | | | |
| **Total: Limpopo Municipalities** | | | **40 000** | **-** | **-** |

**APPENDIX W3**

**APPENDIX TO SCHEDULE 5, PART B: MUNICIPAL INFRASTRUCTURE GRANT**

**RING-FENCED FUNDING FOR SPORT INFRASTRUCTURE - BREAKDOWN PER MUNICIPALITY**

| | | | Ring-fenced Municipal Infrastructure Grant allocations for sport infrastructure | | |
|---|---|---|---|---|---|
| | | | National and Municipal Financial Year | | |
| **Category** | **Municipality** | **Project** | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| C | DC30 Gert Sibande District Municipality | Completion of Siyathemba Sport Field | 15 000 | - | - |
| **Total: Gert Sibande Municipalities** | | | **15 000** | **-** | **-** |
| B | MP314 Emakhazeni | Construction of Sakhelwe Sport Field | 10 000 | - | - |
| B | MP316 Dr JS Moroka | Upgrading of Nokaneng Sport field (Ward 28) | 9 000 | - | - |
| **Total: Nkangala Municipalities** | | | **19 000** | **-** | **-** |
| B | MP321 Thaba Chweu | Upgrading of Leroro Sport field Phase 2 | 9 000 | - | - |
| **Total: Ehlanzeni Municipalities** | | | **9 000** | **-** | **-** |
| **Total: Mpumalanga Municipalities** | | | **43 000** | **-** | **-** |
| **NORTHERN CAPE** | | | | | |
| B | NC061 Richtersveld | Upgrading of existing Sport Facilities in Richtersveld | 9 000 | - | - |
| B | NC065 Hantam | Upgrading of Brandvlei Sport Field Phase 2 | 9 500 | - | - |
| **Total: Namakwa Municipalities** | | | **18 500** | **-** | **-** |
| B | NC071 Ubuntu | Upgrading of Richmond sport field Phase 2 | 7 000 | - | - |
| B | NC072 Umsobomvu | Upgrading of Kuyasa Sport field in Colesberg, Phase 2 | 10 000 | - | - |
| B | NC077 Siyathemba | Upgrading of Prieska Show Ground Sport Field | 8 000 | - | - |
| **Total: Pixley Ka Seme Municipalities** | | | **25 000** | **-** | **-** |
| B | NC082 !Kai !Garib | Upgrading of Machard Sport Field | 5 000 | - | - |
| B | NC087 Dawid Kruiper | Development of Rosedale Sport Field | 9 500 | - | - |
| **Total: Z.F. Mgcawu Municipalities** | | | **14 500** | **-** | **-** |
| | | | | | |
| **Total: Northern Cape Municipalities** | | | **58 000** | **-** | **-** |
| **NORTH WEST** | | | | | |
| B | NW372 Madibeng | Construction of Mothlotlong Sport Complex | 10 000 | - | - |
| **Total: Bojanala Platinum Municipalities** | | | **10 000** | **-** | **-** |
| B | NW383 Mafikeng | Construction of Tennis Stadium | 30 000 | - | - |
| **Total: Ngaka Modiri Molema Municipalities** | | | **30 000** | **-** | **-** |
| B | NW392 Naledi | Construction of Huhudi Sport Field | 10 000 | - | - |
| B | NW394 Greater Taung | Refurbishment of Sekhing and Mokassa Sport Fields | 5 000 | - | - |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | | **15 000** | **-** | **-** |
| B | NW405 JB Marks | Upgrading of Tshing Sport Field (Ventersdorp) and Potchefstroom Cricket field | 16 000 | - | - |
| **Total: Dr Kenneth Kaunda Municipalities** | | | **16 000** | **-** | **-** |
| | | | | | |
| **Total: North West Municipalities** | | | **71 000** | **-** | **-** |
| **WESTERN CAPE** | | | | | |
| B | WC026 Langeberg | Upgrading of Van Zyl Street Sport Field | 7 400 | - | - |
| **Total: Cape Winelands Municipalities** | | | **7 400** | **-** | **-** |
| B | WC032 Overstrand | Upgrading of the Mount Pleasant Sport fields | 7 800 | - | - |
| **Total: Overberg Municipalities** | | | **7 800** | **-** | **-** |
| B | WC051 Laingsburg | Constructuction of Bergsig Sport Field Phase 2 | 10 000 | - | - |
| B | WC053 Beaufort West | Upgrading of Beaufort West Netball and Tennis Courts | 6 800 | - | - |
| **Total: Central Karoo Municipalities** | | | **16 800** | **-** | **-** |
| | | | | | |
| **Total: Western Cape Municipalities** | | | **32 000** | **-** | **-** |
| Unallocated | | | - | 452 000 | 452 000 |
| **National Total** | | | **452 000** | **452 000** | **452 000** |

## APPENDIX W4

## APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES

**(National and Municipal Financial Years)**

## APPENDIX W4

## APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES

| | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | |
|---|---|---|---|---|---|---|
| | | | | National and Municipal Financial Year | | |
| Category | | Municipality | FTE Target for 2025/26 | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | | |
| A | BUF | Buffalo City | 32 | 2 434 | - | - |
| A | NMA | Nelson Mandela Bay | 32 | 2 457 | - | - |
| B | EC101 | Dr Beyers Naude | 18 | 1 396 | - | - |
| B | EC102 | Blue Crane Route | 17 | 1 322 | - | - |
| B | EC104 | Makana | 18 | 1 403 | - | - |
| B | EC105 | Ndlambe | 19 | 1 489 | - | - |
| B | EC106 | Sundays River Valley | 19 | 1 435 | - | - |
| B | EC108 | Kouga | 27 | 2 081 | - | - |
| B | EC109 | Kou-Kamma | 19 | 1 490 | - | - |
| C | DC10 | Sarah Baartman District Municipality | 17 | 1 295 | - | - |
| **Total: Sarah Baartman Municipalities** | | | **154** | **11 911** | **-** | **-** |
| B | EC121 | Mbhashe | 31 | 2 382 | - | - |
| B | EC122 | Mnquma | 31 | 2 404 | - | - |
| B | EC123 | Great Kei | 17 | 1 327 | - | - |
| B | EC124 | Amahlathi | 23 | 1 799 | - | - |
| B | EC126 | Ngqushwa | 21 | 1 616 | - | - |
| B | EC129 | Raymond Mhlaba | 39 | 3 002 | - | - |
| C | DC12 | Amathole District Municipality | 20 | 1 513 | - | - |
| **Total: Amathole Municipalities** | | | **182** | **14 043** | **-** | **-** |
| B | EC131 | Inxuba Yethemba | 30 | 2 294 | - | - |
| B | EC135 | Intsika Yethu | 28 | 2 135 | - | - |
| B | EC136 | Emalahleni | 26 | 1 992 | - | - |
| B | EC137 | Dr. A.B. Xuma | 29 | 2 253 | - | - |
| B | EC138 | Sakhisizwe | 23 | 1 732 | - | - |
| B | EC139 | Enoch Mgijima | 35 | 2 719 | - | - |
| C | DC13 | Chris Hani District Municipality | 39 | 3 002 | - | - |
| **Total: Chris Hani Municipalities** | | | **210** | **16 127** | **-** | **-** |
| B | EC141 | Elundini | 27 | 2 079 | - | - |
| B | EC142 | Senqu | 27 | 2 058 | - | - |
| B | EC145 | Walter Sisulu | 26 | 2 038 | - | - |
| C | DC14 | Joe Gqabi District Municipality | 25 | 1 923 | - | - |
| **Total: Joe Gqabi Municipalities** | | | **105** | **8 098** | **-** | **-** |
| B | EC153 | Ngquza Hill | 22 | 1 716 | - | - |
| B | EC154 | Port St Johns | 24 | 1 864 | - | - |
| B | EC155 | Nyandeni | 23 | 1 750 | - | - |
| B | EC156 | Mhlontlo | 26 | 1 982 | - | - |
| B | EC157 | King Sabata Dalindyebo | 38 | 2 934 | - | - |
| C | DC15 | O.R. Tambo District Municipality | 47 | 3 628 | - | - |
| **Total: O.R. Tambo Municipalities** | | | **180** | **13 874** | **-** | **-** |
| B | EC441 | Matatiele | 39 | 2 980 | - | - |
| B | EC442 | Umzimvubu | 36 | 2 773 | - | - |
| B | EC443 | Winnie Madikizela-Mandela | 40 | 3 111 | - | - |
| B | EC444 | Ntabankulu | 34 | 2 597 | - | - |
| C | DC44 | Alfred Nzo District Municipality | 43 | 3 319 | - | - |
| **Total: Alfred Nzo Municipalities** | | | **192** | **14 780** | **-** | **-** |
| | | | | | | |
| **Total: Eastern Cape Municipalities** | | | **1 087** | **83 724** | **-** | **-** |

**APPENDIX W4**

**APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

| | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | |
|---|---|---|---|---|---|---|
| | | | | National and Municipal Financial Year | | |
| Category | | Municipality | FTE Target for 2025/26 | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **FREE STATE** | | | | | | |
| A | MAN | Mangaung | 20 | 1 524 | - | - |
| B | FS161 | Letsemeng | - | - | - | - |
| B | FS162 | Kopanong | 17 | 1 324 | - | - |
| B | FS163 | Mohokare | - | - | - | - |
| C | DC16 | Xhariep District Municipality | 17 | 1 303 | - | - |
| **Total: Xhariep Municipalities** | | | **34** | **2 627** | **-** | **-** |
| B | FS181 | Masilonyana | 18 | 1 354 | - | - |
| B | FS182 | Tokologo | 16 | 1 256 | - | - |
| B | FS183 | Tswelopele | 22 | 1 659 | - | - |
| B | FS184 | Matjhabeng | 22 | 1 687 | - | - |
| B | FS185 | Nala | 18 | 1 376 | - | - |
| C | DC18 | Lejweleputswa District Municipality | 18 | 1 414 | - | - |
| **Total: Lejweleputswa Municipalities** | | | **114** | **8 746** | **-** | **-** |
| B | FS191 | Setsoto | 24 | 1 880 | - | - |
| B | FS192 | Dihlabeng | 23 | 1 756 | - | - |
| B | FS193 | Nketoana | 19 | 1 440 | - | - |
| B | FS194 | Maluti-a-Phofung | 41 | 3 127 | - | - |
| B | FS195 | Phumelela | 18 | 1 399 | - | - |
| B | FS196 | Mantsopa | 18 | 1 408 | - | - |
| C | DC19 | Thabo Mofutsanyana District Municipality | 26 | 1 968 | - | - |
| **Total: Thabo Mofutsanyana Municipalities** | | | **169** | **12 978** | **-** | **-** |
| B | FS201 | Moqhaka | 19 | 1 496 | - | - |
| B | FS203 | Ngwathe | 33 | 2 553 | - | - |
| B | FS204 | Metsimaholo | 18 | 1 348 | - | - |
| B | FS205 | Mafube | - | - | - | - |
| C | DC20 | Fezile Dabi District Municipality | 17 | 1 333 | - | - |
| **Total: Fezile Dabi Municipalities** | | | **87** | **6 730** | **-** | **-** |
| | | | | | | |
| **Total: Free State Municipalities** | | | **424** | **32 605** | **-** | **-** |
| **GAUTENG** | | | | | | |
| A | EKU | City of Ekurhuleni | 125 | 9 597 | - | - |
| A | JHB | City of Johannesburg | 52 | 4 000 | - | - |
| A | TSH | City of Tshwane | 121 | 9 308 | - | - |
| B | GT421 | Emfuleni | 56 | 4 286 | - | - |
| B | GT422 | Midvaal | 27 | 2 077 | - | - |
| B | GT423 | Lesedi | 17 | 1 332 | - | - |
| C | DC42 | Sedibeng District Municipality | 24 | 1 884 | - | - |
| **Total: Sedibeng Municipalities** | | | **124** | **9 579** | **-** | **-** |
| B | GT481 | Mogale City | 27 | 2 049 | - | - |
| B | GT484 | Merafong City | 20 | 1 553 | - | - |
| B | GT485 | Rand West City | 34 | 2 611 | - | - |
| C | DC48 | West Rand District Municipality | 21 | 1 649 | - | - |
| **Total: West Rand Municipalities** | | | **102** | **7 862** | **-** | **-** |
| | | | | | | |
| **Total: Gauteng Municipalities** | | | **524** | **40 346** | **-** | **-** |

**APPENDIX W4**

**APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

| | | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | |
|---|---|---|---|---|---|---|---|
| | | | | | National and Municipal Financial Year | | |
| Category | | Municipality | | FTE Target for 2025/26 | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **KWAZULU-NATAL** | | | | | | | |
| A | ETH | eThekwini | | 111 | 8 517 | - | - |
| B | KZN212 | uMdoni | | 18 | 1 385 | - | - |
| B | KZN213 | uMzumbe | | 19 | 1 428 | - | - |
| B | KZN214 | uMuziwabantu | | 20 | 1 525 | - | - |
| B | KZN216 | Ray Nkonyeni | | 41 | 3 159 | - | - |
| C | DC21 | Ugu District Municipality | | 42 | 3 222 | - | - |
| **Total: Ugu Municipalities** | | | | **140** | **10 719** | **-** | **-** |
| B | KZN221 | uMshwathi | | 23 | 1 794 | - | - |
| B | KZN222 | uMngeni | | 21 | 1 584 | - | - |
| B | KZN223 | Mpofana | | 18 | 1 400 | - | - |
| B | KZN224 | iMpendle | | 21 | 1 643 | - | - |
| B | KZN225 | Msunduzi | | 34 | 2 624 | - | - |
| B | KZN226 | Mkhambathini | | 29 | 2 204 | - | - |
| B | KZN227 | Richmond | | 27 | 2 054 | - | - |
| C | DC22 | uMgungundlovu District Municipality | | 22 | 1 713 | - | - |
| **Total: uMgungundlovu Municipalities** | | | | **195** | **15 016** | **-** | **-** |
| B | KZN235 | Okhahlamba | | 30 | 2 333 | - | - |
| B | KZN237 | iNkosi Langalibalele | | 18 | 1 398 | - | - |
| B | KZN238 | Alfred Duma | | 35 | 2 657 | - | - |
| C | DC23 | uThukela District Municipality | | 27 | 2 093 | - | - |
| **Total: uThukela Municipalities** | | | | **110** | **8 481** | **-** | **-** |
| B | KZN241 | eNdumeni | | 22 | 1 699 | - | - |
| B | KZN242 | Nquthu | | 21 | 1 639 | - | - |
| B | KZN244 | uMsinga | | 30 | 2 331 | - | - |
| B | KZN245 | uMvoti | | 28 | 2 142 | - | - |
| C | DC24 | uMzinyathi District Municipality | | 74 | 5 687 | - | - |
| **Total: uMzinyathi Municipalities** | | | | **175** | **13 498** | **-** | **-** |
| B | KZN252 | Newcastle | | 36 | 2 791 | - | - |
| B | KZN253 | eMadlangeni | | 17 | 1 341 | - | - |
| B | KZN254 | Dannhauser | | 20 | 1 569 | - | - |
| C | DC25 | Amajuba District Municipality | | 27 | 2 070 | - | - |
| **Total: Amajuba Municipalities** | | | | **100** | **7 771** | **-** | **-** |
| B | KZN261 | eDumbe | | 19 | 1 487 | - | - |
| B | KZN262 | uPhongolo | | 28 | 2 170 | - | - |
| B | KZN263 | AbaQulusi | | 36 | 2 742 | - | - |
| B | KZN265 | Nongoma | | 23 | 1 779 | - | - |
| B | KZN266 | Ulundi | | 39 | 3 029 | - | - |
| C | DC26 | Zululand District Municipality | | 83 | 6 406 | - | - |
| **Total: Zululand Municipalities** | | | | **228** | **17 613** | **-** | **-** |
| B | KZN271 | uMhlabuyalingana | | 30 | 2 336 | - | - |
| B | KZN272 | Jozini | | 50 | 3 839 | - | - |
| B | KZN275 | Inkosi uMtubatuba | | 27 | 2 059 | - | - |
| B | KZN276 | Big Five Hlabisa | | 27 | 2 042 | - | - |
| C | DC27 | uMkhanyakude District Municipality | | 51 | 3 921 | - | - |
| **Total: uMkhanyakude Municipalities** | | | | **185** | **14 197** | **-** | **-** |
| B | KZN281 | uMfolozi | | 31 | 2 376 | - | - |
| B | KZN282 | uMhlathuze | | 48 | 3 707 | - | - |
| B | KZN284 | uMlalazi | | 36 | 2 794 | - | - |
| B | KZN285 | Mthonjaneni | | 24 | 1 871 | - | - |
| B | KZN286 | Nkandla | | 33 | 2 566 | - | - |
| C | DC28 | King Cetshwayo District Municipality | | 68 | 5 207 | - | - |
| **Total: King Cetshwayo Municipalities** | | | | **240** | **18 521** | **-** | **-** |
| B | KZN291 | Mandeni | | 22 | 1 714 | - | - |
| B | KZN292 | KwaDukuza | | 25 | 1 957 | - | - |
| B | KZN293 | Ndwedwe | | 30 | 2 320 | - | - |
| B | KZN294 | Maphumulo | | 23 | 1 784 | - | - |
| C | DC29 | iLembe District Municipality | | 42 | 3 193 | - | - |
| **Total: iLembe Municipalities** | | | | **142** | **10 968** | **-** | **-** |
| B | KZN433 | Greater Kokstad | | 25 | 1 953 | - | - |
| B | KZN434 | Johannes Phumani Phungula | | 25 | 1 956 | - | - |
| B | KZN435 | uMzimkhulu | | 37 | 2 812 | - | - |
| B | KZN436 | Dr Nkosazana Dlamini Zuma | | 28 | 2 135 | - | - |
| C | DC43 | Harry Gwala District Municipality | | 48 | 3 660 | - | - |
| **Total: Harry Gwala Municipalities** | | | | **163** | **12 516** | **-** | **-** |
| | | | | | | | |
| **Total: KwaZulu-Natal Municipalities** | | | | **1 789** | **137 817** | **-** | **-** |

**APPENDIX W4**

**APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

| | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | |
|---|---|---|---|---|---|---|
| | | | | National and Municipal Financial Year | | |
| Category | | Municipality | FTE Target for 2025/26 | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **LIMPOPO** | | | | | | |
| B | LIM331 | Greater Giyani | 48 | 3 708 | - | - |
| B | LIM332 | Greater Letaba | 26 | 2 003 | - | - |
| B | LIM333 | Greater Tzaneen | 63 | 4 811 | - | - |
| B | LIM334 | Ba-Phalaborwa | 23 | 1 806 | - | - |
| B | LIM335 | Maruleng | 20 | 1 512 | - | - |
| C | DC33 | Mopani District Municipality | 102 | 7 838 | - | - |
| **Total: Mopani Municipalities** | | | **282** | **21 678** | **-** | **-** |
| B | LIM341 | Musina | 26 | 1 986 | - | - |
| B | LIM343 | Thulamela | 49 | 3 802 | - | - |
| B | LIM344 | Makhado | 43 | 3 323 | - | - |
| B | LIM345 | Collins Chabane | 28 | 2 148 | - | - |
| C | DC34 | Vhembe District Municipality | 46 | 3 557 | - | - |
| **Total: Vhembe Municipalities** | | | **192** | **14 816** | **-** | **-** |
| B | LIM351 | Blouberg | 23 | 1 769 | - | - |
| B | LIM353 | Molemole | 18 | 1 405 | - | - |
| B | LIM354 | Polokwane | 85 | 6 531 | - | - |
| B | LIM355 | Lepele-Nkumpi | 25 | 1 891 | - | - |
| C | DC35 | Capricorn District Municipality | 48 | 3 659 | - | - |
| **Total: Capricorn Municipalities** | | | **199** | **15 255** | **-** | **-** |
| B | LIM361 | Thabazimbi | 19 | 1 454 | - | - |
| B | LIM362 | Lephalale | 19 | 1 478 | - | - |
| B | LIM366 | Bela-Bela | 20 | 1 560 | - | - |
| B | LIM367 | Mogalakwena | 21 | 1 608 | - | - |
| B | LIM368 | Modimolle-Mookgophong | 26 | 2 031 | - | - |
| C | DC36 | Waterberg District Municipality | - | - | - | - |
| **Total: Waterberg Municipalities** | | | **105** | **8 131** | **-** | **-** |
| B | LIM471 | Ephraim Mogale | 21 | 1 629 | - | - |
| B | LIM472 | Elias Motsoaledi | 37 | 2 862 | - | - |
| B | LIM473 | Makhuduthamaga | 32 | 2 443 | - | - |
| B | LIM476 | Fetakgomo Tubatse | 27 | 2 099 | - | - |
| C | DC47 | Sekhukhune District Municipality | 109 | 8 403 | - | - |
| **Total: Sekhukhune Municipalities** | | | **226** | **17 436** | **-** | **-** |
| | | | | | | |
| **Total: Limpopo Municipalities** | | | **1 004** | **77 316** | **-** | **-** |
| **MPUMALANGA** | | | | | | |
| B | MP301 | Chief Albert Luthuli | 34 | 2 643 | - | - |
| B | MP302 | Msukaligwa | 25 | 1 930 | - | - |
| B | MP303 | Mkhondo | 28 | 2 159 | - | - |
| B | MP304 | Dr Pixley ka Isaka Seme | 29 | 2 206 | - | - |
| B | MP305 | Lekwa | 29 | 2 203 | - | - |
| B | MP306 | Dipaleseng | 20 | 1 502 | - | - |
| B | MP307 | Govan Mbeki | 38 | 2 939 | - | - |
| C | DC30 | Gert Sibande District Municipality | 30 | 2 280 | - | - |
| **Total: Gert Sibande Municipalities** | | | **233** | **17 862** | **-** | **-** |
| B | MP311 | Victor Khanye | 26 | 1 976 | - | - |
| B | MP312 | Emalahleni | 58 | 4 434 | - | - |
| B | MP313 | Steve Tshwete | 29 | 2 210 | - | - |
| B | MP314 | Emakhazeni | 28 | 2 178 | - | - |
| B | MP315 | Thembisile Hani | 36 | 2 801 | - | - |
| B | MP316 | Dr JS Moroka | 31 | 2 400 | - | - |
| C | DC31 | Nkangala District Municipality | 31 | 2 374 | - | - |
| **Total: Nkangala Municipalities** | | | **239** | **18 373** | **-** | **-** |
| B | MP321 | Thaba Chweu | 27 | 2 103 | - | - |
| B | MP324 | Nkomazi | 57 | 4 378 | - | - |
| B | MP325 | Bushbuckridge | 38 | 2 929 | - | - |
| B | MP326 | City of Mbombela | 75 | 5 777 | - | - |
| C | DC32 | Ehlanzeni District Municipality | 25 | 1 928 | - | - |
| **Total: Ehlanzeni Municipalities** | | | **222** | **17 115** | **-** | **-** |
| | | | | | | |
| **Total: Mpumalanga Municipalities** | | | **694** | **53 350** | **-** | **-** |

**APPENDIX W4**

**APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES**

| | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | |
|---|---|---|---|---|---|---|
| | | | | National and Municipal Financial Year | | |
| Category | | Municipality | FTE Target for 2025/26 | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTHERN CAPE** | | | | | | |
| B | NC061 | Richtersveld | 18 | 1 347 | - | - |
| B | NC062 | Nama Khoi | 21 | 1 601 | - | - |
| B | NC064 | Kamiesberg | - | - | - | - |
| B | NC065 | Hantam | 17 | 1 269 | - | - |
| B | NC066 | Karoo Hoogland | 17 | 1 276 | - | - |
| B | NC067 | Khâi-Ma | - | - | - | - |
| C | DC6 | Namakwa District Municipality | - | - | - | - |
| **Total: Namakwa Municipalities** | | | **73** | **5 493** | **-** | **-** |
| B | NC071 | Ubuntu | 16 | 1 256 | - | - |
| B | NC072 | Umsobomvu | 17 | 1 321 | - | - |
| B | NC073 | Emthanjeni | - | - | - | - |
| B | NC074 | Kareeberg | - | - | - | - |
| B | NC075 | Renosterberg | - | - | - | - |
| B | NC076 | Thembelihle | - | - | - | - |
| B | NC077 | Siyathemba | - | - | - | - |
| B | NC078 | Siyancuma | 17 | 1 303 | - | - |
| C | DC7 | Pixley Ka Seme District Municipality | 16 | 1 254 | - | - |
| **Total: Pixley Ka Seme Municipalities** | | | **66** | **5 134** | **-** | **-** |
| B | NC082 | !Kai !Garib | 17 | 1 318 | - | - |
| B | NC084 | !Kheis | - | - | - | - |
| B | NC085 | Tsantsabane | - | - | - | - |
| B | NC086 | Kgatelopele | - | - | - | - |
| B | NC087 | Dawid Kruiper | - | - | - | - |
| C | DC8 | Z.F. Mgcawu District Municipality | 17 | 1 274 | - | - |
| **Total: Z.F. Mgcawu Municipalities** | | | **34** | **2 592** | **-** | **-** |
| B | NC091 | Sol Plaatjie | 58 | 4 442 | - | - |
| B | NC092 | Dikgatlong | 18 | 1 386 | - | - |
| B | NC093 | Magareng | 17 | 1 329 | - | - |
| B | NC094 | Phokwane | - | - | - | - |
| C | DC9 | Frances Baard District Municipality | 18 | 1 395 | - | - |
| **Total: Frances Baard Municipalities** | | | **111** | **8 552** | **-** | **-** |
| B | NC451 | Joe Morolong | 20 | 1 554 | - | - |
| B | NC452 | Ga-Segonyana | 19 | 1 426 | - | - |
| B | NC453 | Gamagara | 18 | 1 378 | - | - |
| C | DC45 | John Taolo Gaetsewe District Municipality | - | - | - | - |
| **Total: John Taolo Gaetsewe Municipalities** | | | **57** | **4 358** | **-** | **-** |
| **Total: Northern Cape Municipalities** | | | **341** | **26 129** | **-** | **-** |
| **NORTH WEST** | | | | | | |
| B | NW371 | Moretele | 39 | 3 036 | - | - |
| B | NW372 | Madibeng | 24 | 1 836 | - | - |
| B | NW373 | Rustenburg | 31 | 2 359 | - | - |
| B | NW374 | Kgetlengrivier | 18 | 1 408 | - | - |
| B | NW375 | Moses Kotane | 25 | 1 895 | - | - |
| C | DC37 | Bojanala Platinum District Municipality | 22 | 1 689 | - | - |
| **Total: Bojanala Platinum Municipalities** | | | **159** | **12 223** | **-** | **-** |
| B | NW381 | Ratlou | 20 | 1 509 | - | - |
| B | NW382 | Tswaing | 19 | 1 432 | - | - |
| B | NW383 | Mafikeng | 25 | 1 923 | - | - |
| B | NW384 | Ditsobotla | 19 | 1 467 | - | - |
| B | NW385 | Ramotshere Moiloa | 23 | 1 754 | - | - |
| C | DC38 | Ngaka Modiri Molema District Municipality | 62 | 4 791 | - | - |
| **Total: Ngaka Modiri Molema Municipalities** | | | **168** | **12 876** | **-** | **-** |
| B | NW392 | Naledi | 32 | 2 433 | - | - |
| B | NW393 | Mamusa | 19 | 1 472 | - | - |
| B | NW394 | Greater Taung | 24 | 1 842 | - | - |
| B | NW396 | Lekwa-Teemane | 18 | 1 355 | - | - |
| B | NW397 | Kagisano-Molopo | 29 | 2 241 | - | - |
| C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | 22 | 1 674 | - | - |
| **Total: Dr Ruth Segomotsi Mompati Municipalities** | | | **144** | **11 017** | **-** | **-** |
| B | NW403 | City of Matlosana | 34 | 2 606 | - | - |
| B | NW404 | Maquassi Hills | 18 | 1 419 | - | - |
| B | NW405 | JB Marks | 34 | 2 619 | - | - |
| C | DC40 | Dr Kenneth Kaunda District Municipality | 29 | 2 211 | - | - |
| **Total: Dr Kenneth Kaunda Municipalities** | | | **115** | **8 855** | **-** | **-** |
| **Total: North West Municipalities** | | | **586** | **44 971** | **-** | **-** |

## APPENDIX W4

## APPENDIX TO SCHEDULE 5, PART B: TARGETS FOR EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITIES

| | | | Expanded Public Works Programme Integrated Grant for Municipalities | | | |
|---|---|---|---|---|---|---|
| | | | | National and Municipal Financial Year | | |
| Category | | Municipality | FTE Target for 2025/26 | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **WESTERN CAPE** | | | | | | |
| A | CPT | City of Cape Town | 194 | 14 926 | - | - |
| B | WC011 | Matzikama | 22 | 1 708 | - | - |
| B | WC012 | Cederberg | 20 | 1 533 | - | - |
| B | WC013 | Bergrivier | 22 | 1 700 | - | - |
| B | WC014 | Saldanha Bay | 27 | 2 096 | - | - |
| B | WC015 | Swartland | 26 | 1 969 | - | - |
| C | DC1 | West Coast District Municipality | 22 | 1 669 | - | - |
| **Total: West Coast Municipalities** | | | **139** | **10 675** | **-** | **-** |
| B | WC022 | Witzenberg | 30 | 2 272 | - | - |
| B | WC023 | Drakenstein | 44 | 3 349 | - | - |
| B | WC024 | Stellenbosch | 42 | 3 202 | - | - |
| B | WC025 | Breede Valley | 39 | 3 019 | - | - |
| B | WC026 | Langeberg | 35 | 2 709 | - | - |
| C | DC2 | Cape Winelands District Municipality | 19 | 1 479 | - | - |
| **Total: Cape Winelands Municipalities** | | | **209** | **16 030** | **-** | **-** |
| B | WC031 | Theewaterskloof | 25 | 1 930 | - | - |
| B | WC032 | Overstrand | 34 | 2 588 | - | - |
| B | WC033 | Cape Agulhas | 22 | 1 727 | - | - |
| B | WC034 | Swellendam | 20 | 1 565 | - | - |
| C | DC3 | Overberg District Municipality | 20 | 1 500 | - | - |
| **Total: Overberg Municipalities** | | | **121** | **9 310** | **-** | **-** |
| B | WC041 | Kannaland | 18 | 1 378 | - | - |
| B | WC042 | Hessequa | 18 | 1 351 | - | - |
| B | WC043 | Mossel Bay | 42 | 3 259 | - | - |
| B | WC044 | George | 35 | 2 677 | - | - |
| B | WC045 | Oudtshoorn | 23 | 1 734 | - | - |
| B | WC047 | Bitou | 21 | 1 599 | - | - |
| B | WC048 | Knysna | 19 | 1 461 | - | - |
| C | DC4 | Garden Route District Municipality | 30 | 2 293 | - | - |
| **Total: Garden Route Municipalities** | | | **206** | **15 752** | **-** | **-** |
| B | WC051 | Laingsburg | 18 | 1 385 | - | - |
| B | WC052 | Prince Albert | - | - | - | - |
| B | WC053 | Beaufort West | 20 | 1 569 | - | - |
| C | DC5 | Central Karoo District Municipality | 18 | 1 376 | - | - |
| **Total: Central Karoo Municipalities** | | | **56** | **4 330** | **-** | **-** |
| | | | | | | |
| **Total: Western Cape Municipalities** | | | **925** | **71 023** | **-** | **-** |
| Unallocated | | | - | - | 593 271 | 620 099 |
| **National Total** | | | **7 374** | **567 281** | **593 271** | **620 099** |

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

**(National and Municipal Financial Years)**

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

| Breakdown of regional bulk infrastructure grant allocations per local municipality per project | | | | | | Schedule 5, Part B | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Project Code | Project Name | Category | | Water Services Authority | Benefitting Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | | | | | | | | |
| BFI | Nelson Mandela Bay - Water Security Programme | A | NMA | Nelson Mandela Bay Metropolitan Municipality | Nelson Mandela Bay Metropolitan Municipality | 390 000 | - | - | - | - | - |
| | | **Total: Nelson Mandela Bay Metropolitan Municipality** | | | | **390 000** | **-** | **-** | **-** | **-** | **-** |
| RS42 | James Kleynhans Bulk Water Supply | B | EC104 | Makana Local Municipality | Makana Local Municipality | - | - | - | 50 000 | 33 000 | 34 650 |
| RL01 | Ndlambe Bulk Water Supply | B | EC105 | Ndlambe Local Municipality | Ndlambe Local Municipality | - | - | - | 42 000 | 33 000 | 34 650 |
| RS02 | Sundays River - Paterson Bulk Water Supply | B | EC106 | Sundays River Valley Local Municipality | Sundays River Valley Local Municipality | - | - | - | 6 000 | - | - |
| RS07 | Misgund Bulk Water Supply | B | EC109 | Kou-kamma Local Municipality | Koukamma Local Municipality | - | - | - | 310 | - | - |
| | | **Total Sarah Baartman Municipalities** | | | | **-** | **-** | **-** | **98 310** | **66 000** | **69 300** |
| RL16 | Xhora East Water Supply | C | DC12 | Amathole District Municipality | Mbhashe Local Municipality | - | - | - | 4 000 | - | - |
| RL | Sundwana Water Supply | C | DC12 | Amathole District Municipality | Mbhashe Local Municipality | - | - | - | 5 000 | 10 000 | 10 500 |
| RS | Ngqamakhwe Bulk Water Supply (Butterworth Water Transfer Scheme) | C | DC12 | Amathole District Municipality | Mnquma Local Municipality | - | - | - | 80 000 | 90 401 | 94 921 |
| | | **Total Amathole Municipalities** | | | | **-** | **-** | **-** | **89 000** | **100 401** | **105 421** |
| RBIG 5B | Upgrading of Tsomo Water Treatment Works | C | DC13 | Chris Hani District Municipality | Intsika Yethu Local Municipality | - | 70 000 | 120 000 | - | - | - |
| RBIG 5B | Upgrading ofLubisi Water Treatment Works | C | DC13 | Chris Hani District Municipality | Emalahleni Local Municipality | | 56 000 | 143 079 | - | - | - |
| | | **Total Chris Hani Municipalities** | | | | **-** | **126 000** | **263 079** | **-** | **-** | **-** |
| RBIG 5B | Lady Grey Bulk Water Supply | C | DC14 | Joe Gqabi District Municipality | Senqu Local Municipality | - | 59 501 | 70 000 | - | - | - |
| RBIG 5B | Sterkspruit Waste Water Treatment Works | C | DC14 | Joe Gqabi District Municipality | Senqu Local Municipality | 85 000 | 115 789 | 133 000 | - | - | - |
| | | **Total: Joe Gqabi Municipalities** | | | | **85 000** | **175 290** | **203 000** | **-** | **-** | **-** |
| RBIG 5B | O.R. Tambo, Mthatha, King Sabato Dalinyebo Water Supply | C | DC15 | O.R. Tambo District Municipality | King Sabata Dalindyebo Local Municipality | 250 000 | 192 000 | - | - | - | - |
| | | **Total OR Tambo Municipalities** | | | | **250 000** | **192 000** | **-** | **-** | **-** | **-** |
| RS48 | Kinira Regional Bulk Water Supply Scheme | C | DC44 | Alfred Nzo District Municipality | Matatiele Local Municipality | - | - | - | - | 5 000 | 5 250 |
| RS50 | Mkemane Regional Bulk Water Supply Scheme | C | DC44 | Alfred Nzo District Municipality | Umzimvubu Local Municipality | - | - | - | - | 5 000 | 5 250 |
| RBIG 6B | Greater Mbizana Regional Bulk Water Supply Scheme | C | DC44 | Alfred Nzo District Municipality | Winnie Madikizela-Mandela | - | - | - | 113 606 | 120 028 | 157 529 |
| RS43 | Ntabankulu Bulk Water Supply | C | DC44 | Alfred Nzo District Municipality | Ntabankulu Local Municipality | - | - | - | - | 5 000 | 5 250 |
| | | **Total: Alfred Nzo Municipalities** | | | | **-** | **-** | **-** | **113 606** | **135 028** | **173 279** |
| | | | | | | | | | | | |
| | | **Total: Eastern Cape Municipalities** | | | | **725 000** | **493 290** | **466 079** | **300 916** | **301 429** | **348 000** |

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

| Breakdown of regional bulk infrastructure grant allocations per local municipality per project | | | | | | Schedule 5, Part B | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Project Code | Project Name | Category | | Water Services Authority | Benefitting Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **FREE STATE** | | | | | | | | | | | |
| RBIG 5B | Rouxville/Smithfield/Zastron Bulk Water Supply | B | FS163 | Mohokare Local Municipality | Mohokare Local Municipality | - | - | - | 15 000 | - | - |
| | | **Total: Xhariep Municipalities** | | | | **-** | **-** | **-** | **15 000** | **-** | **-** |
| RS52 | Masilonyana Bulk Water Supply | B | FS181 | Masilonyana Local Municipality | Masilonyana Local Municipality | - | - | - | 40 000 | 52 300 | 54 915 |
| Covid-19 | Brandford Bulk Sewer Services | B | FS181 | Masilonyana Local Municipality | Masilonyana Local Municipality | - | - | - | 4 000 | - | - |
| RL24 | Tokologo Regional Water Supply 2 | B | FS182 | Tokologo Local Municipality | Tokologo Local Municipality | - | - | - | 40 000 | 62 760 | 65 898 |
| BEP | Dealesville Bulk Sewer Services | B | FS182 | Tokologo Local Municipality | Tokologo Local Municipality | - | - | - | 15 148 | - | - |
| RL34 | Mathjabeng Bulk Sewer (Welkom) - Ministerial Intervention | B | FS184 | Matjhabeng Local Municipality | Matjhabeng Local Municipality | - | - | - | 323 629 | 184 699 | 193 934 |
| | | **Total: Lejweleputswa Municipalities** | | | | **-** | **-** | **-** | **422 777** | **299 759** | **314 747** |
| RBIG 5B | Setsoto Bulk Water Supply | B | FS191 | Setsoto Local Municipality | Setsoto Local Municipality | 171 112 | 200 000 | 242 596 | - | - | - |
| BEP | Clocolan Bulk Sewer Services | B | FS191 | Setsoto Local Municipality | Setsoto Local Municipality | - | - | - | 5 514 | - | - |
| BEP | Ficksburg Bulk Sewer Services | B | FS191 | Setsoto Local Municipality | Setsoto Local Municipality | - | - | - | 15 427 | - | - |
| BEP | Senekal Bulk Sewer Services | B | FS191 | Setsoto Local Municipality | Setsoto Local Municipality | - | - | - | 7 282 | - | - |
| BEP | Senekal Construction West | B | FS191 | Setsoto Local Municipality | Setsoto Local Municipality | - | - | - | 17 249 | - | - |
| RL25 | Dihlabeng Bulk Water Supply - Phase 3 | B | FS192 | Dihlabeng Local Municipality | Dihlabeng Local Municipality | - | - | - | 60 000 | 60 000 | 63 000 |
| Covid-19 | Lindley Bulk Sewer Services | B | FS193 | Nketoana Local Municipality | Nketoana Local Municipality | - | - | - | 30 000 | 40 570 | 42 599 |
| BEP | Arglington Bulk Sewer Services | B | FS193 | Nketoana Local Municipality | Nketoana Local Municipality | - | - | - | 34 717 | - | - |
| BEP | Petrus Sten Bulk Sewer Services | B | FS193 | Nketoana Local Municipality | Nketoana Local Municipality | - | - | - | 22 838 | - | - |
| RL12 | Nketoana Regional Water Supply | B | FS193 | Nketoana Local Municipality | Nketoana Local Municipality | - | - | - | 75 000 | 100 000 | 126 000 |
| RS150 | Maluti-a-Phofung Local Municipality Intervention | B | FS194 | Maluti-a-Phofung Local Municipality | Maluti-a-Phofung Local Municipality | - | - | - | 65 371 | 96 989 | 101 838 |
| RBBIG 6B | Refurbishment of Fika-Patso Waste Water Treatment Works | B | FS194 | Maluti-a-Phofung Local Municipality | Maluti-a-Phofung Local Municipality | - | - | - | - | 22 120 | 23 226 |
| RS19 | Maluti-a-Phofung Bulk Water Supply - Phase 2 | B | FS194 | Maluti-a-Phofung Local Municipality | Maluti-a-Phofung Local Municipality | - | - | - | 50 000 | 20 000 | 21 000 |
| | | **Total: Thabo Mofutsanyana Municipalities** | | | | **171 112** | **200 000** | **242 596** | **383 398** | **339 679** | **377 663** |
| RBIG 6B | Kroonstad Waste Water Treatment Works - Phase 2 | B | FS201 | Moqhaka Local municipality | Moqhaka Local municipality | - | - | - | 9 000 | - | - |
| RBIG 5B | Ngwathe Bulk Water Supply - Phase 2 | B | FS203 | Ngwathe Local Municipality | Ngwathe Local Municipality | 60 000 | 81 112 | 50 000 | - | - | - |
| RS26 | Frankfort Bulk Sewer (Mafube) | B | FS205 | Mafube Local Municipality | Mafube Local Municipality | - | - | - | 15 000 | - | - |
| RBIG 6B | Frankfort Waste Water Treatment Works Upgrade | B | FS205 | Mafube Local Municipality | Mafube Local Municipality | - | - | - | - | 30 000 | 31 500 |
| | | **Total: Fezile Dabi Municipalities** | | | | **60 000** | **81 112** | **50 000** | **24 000** | **30 000** | **31 500** |
| | | | | | | | | | | | |
| | | **Total: Free State Municipalities** | | | | **231 112** | **281 112** | **292 596** | **845 175** | **669 438** | **723 910** |
| **GAUTENG** | | | | | | | | | | | |
| RM02 | Sedibeng Regional Waste Water Treatment Works | B | GT421 | Emfuleni Local Municipality | Emfuleni, Midvaal and City of Johannesberg | - | - | - | 98 690 | 99 868 | 103 863 |
| RM05 | Sebokeng Waste Water Treatment Works | B | GT421 | Emfuleni Local Municipality | Emfuleni Local Municipality | - | - | - | 60 000 | 70 000 | 73 500 |
| RBIG 5B | Vaal River System Intervention | B | GT421 | Emfuleni Local Municipality | Emfuleni Local Municipality | - | - | - | 346 347 | 476 353 | 467 009 |
| RL04 | Meyerton Waste Water Treatment Works | B | GT422 | Midvaal Local Municipality | Midvaal Local Municipality | - | - | - | 55 000 | - | - |
| | | **Total: Sedibeng Municipalities** | | | | **-** | **-** | **-** | **560 037** | **646 221** | **644 372** |
| RM06 | Westonaria Regional Bulk Sanitation (Zuurbekom) | B | GT485 | Rand West City Local Municipality | Rand West City Local Municipality | - | - | - | 20 000 | 55 000 | 57 750 |
| RS56 | Mohlakeng Pump Station and Sewer Outfall | B | GT485 | Rand West City Local Municipality | Rand West City Local Municipality | - | - | - | 20 000 | 45 000 | 47 250 |
| | | **Total: West Rand Municipalities** | | | | **-** | **-** | **-** | **40 000** | **100 000** | **105 000** |
| | | | | | | | | | | | |
| | | **Total: Gauteng Municipalities** | | | | **-** | **-** | **-** | **600 037** | **746 221** | **749 372** |

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

| Breakdown of regional bulk infrastructure grant allocations per local municipality per project | | | | | | Schedule 5, Part B | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Project Code | Project Name | Category | | Water Services Authority | Benefitting Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **KWAZULU-NATAL** | | | | | | | | | | | |
| RBIG 5B | Mandlakazi Bulk Water Supply | C | DC26 | Zululand District Municipality | uPhongolo and Nongoma Local Municipalities | 544 478 | 370 085 | 408 200 | - | - | - |
| | | **Total: Zululand Municipalities** | | | | **544 478** | **370 085** | **408 200** | **-** | **-** | **-** |
| RBIG 5B | Greater Mthonjaneni Bulk Water Supply | C | DC28 | King Cetshwayo District Municipality | Mthonjaneni and Nkandla Local Municipalities | 178 356 | 129 356 | 208 356 | - | - | - |
| | | **Total: King Cetshwayo Municipalities** | | | | **178 356** | **129 356** | **208 356** | **-** | **-** | **-** |
| | | | | | | | | | | | |
| | | **Total: KwaZulu-Natal Municipalities** | | | | **722 834** | **499 441** | **616 556** | **-** | **-** | **-** |
| **LIMPOPO** | | | | | | | | | | | |
| RL28 | Giyani Bulk Water Supply - Drought Relief | C | DC33 | Mopani District Municipality | Greater Giyani Local Municipality | - | - | - | 25 000 | - | - |
| RBIG 6B | Giyani Waste Water Treatment Works Upgrade - Phase 2 | C | DC33 | Mopani District Municipality | Greater Giyani Local Municipality | - | - | - | 60 000 | 203 607 | 183 583 |
| RM08 | Giyani Water Services | C | DC33 | Mopani District Municipality | Greater Giyani Local Municipality | - | - | - | 125 000 | - | - |
| RL29 | Mametja Sekororo Bulk Water Supply | C | DC33 | Mopani District Municipality | Maruleng Local Municipality | - | - | - | 35 000 | 100 000 | 184 000 |
| RS135 | Bambanana Pipeline - Phase 1 | C | DC33 | Mopani District Municipality | Maruleng Local Municipality | - | - | - | 120 000 | 230 000 | 208 000 |
| | | **Total: Mopani Municipalities** | | | | **-** | **-** | **-** | **365 000** | **533 607** | **575 583** |
| RL13 | Sinthumule Kutama Bulk Water Supply | C | DC34 | Vhembe District Municipality | Makhado Local Municipality | - | - | - | 15 000 | - | - |
| RBIG 6B | Nandoni Waste Water Treatment Works Upgrade | C | DC34 | Vhembe District Municipality | Makhado Local Municipality | - | - | - | 98 170 | 235 800 | 255 800 |
| | | **Total: Vhembe Municipalities** | | | | **-** | **-** | **-** | **113 170** | **235 800** | **255 800** |
| RBIG 5B | Polokwane Waste Water Treatment Works | B | LIM354 | Polokwane Local Municipality | Polokwane Local Municipality | 155 509 | 255 509 | 207 387 | - | - | - |
| | | **Total: Capricon Municipalities** | | | | **155 509** | **255 509** | **207 387** | **-** | **-** | **-** |
| RM04 | Mogalakwena Bulk Water Supply | B | LIM367 | Mogalakwena Local Municipality | Mogalakwena Local Municipality | - | - | - | 130 000 | 30 000 | - |
| | | **Total: Waterberg Municipalities** | | | | **-** | **-** | **-** | **130 000** | **30 000** | **-** |
| RL14 | Moutse Bulk Water Supply | C | DC47 | Sekhukhune District Municipality | Ephraim Mogale and Elias Motsoaledi Local Municipalities | - | - | - | 10 000 | - | - |
| RM12 | Nebo Bulk Water Supply | C | DC47 | Sekhukhune District Municipality | Tubatse Local Municipality and Makhudutmahaga Local | - | - | - | 80 000 | - | - |
| RM07 | Mooihoek/Tubatse Bulk Water Supply | C | DC47 | Sekhukhune District Municipality | Tubatse Local Municipality | - | - | - | 10 000 | - | - |
| | | **Total: Sekhukhune Municipalities** | | | | **-** | **-** | **-** | **100 000** | **-** | **-** |
| | | | | | | | | | | | |
| | | **Total: Limpopo Municipalities** | | | | **155 509** | **255 509** | **207 387** | **708 170** | **799 407** | **831 383** |

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

| Breakdown of regional bulk infrastructure grant allocations per local municipality per project | | | | | | Schedule 5, Part B | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Project Code | Project Name | Category | | Water Services Authority | Benefitting Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **MPUMALANGA** | | | | | | | | | | | |
| RBIG 5B | Empul/Methu/Amster Bulk Water Supply | B | MP301 | Chief Albert Luthuli Local Municipality | Chief Albert Luthuli Local Municipality | 95 000 | 105 423 | 79 744 | - | - | - |
| RBIG 5B | Upgrading of Carolina Waste Water Treatment Works | B | MP301 | Chief Albert Luthuli Local Municipality | Chief Albert Luthuli Local Municipality | 80 000 | 75 464 | - | - | - | - |
| RBIG 5B | Chief Albert Luthuli Bulk Water Project | B | MP301 | Chief Albert Luthuli Local Municipality | Chief Albert Luthuli Local Municipality | 30 000 | 50 000 | 155 423 | - | - | - |
| RBIG 5B | Msukalingwa Regional Bulk Water Supply - Phase1 | B | MP302 | Msukaligwa Local Municipality | Msukaligwa Local Municipality | 10 000 | 70 000 | 100 000 | - | - | - |
| RBIG 5B | Ermelo Waste Water Treatment Works | B | MP302 | Msukaligwa Local Municipality | Msukaligwa Local Municipality | 40 000 | 60 000 | 50 000 | - | - | - |
| RBIG 6B | Amsterdam and Sheepmore Bulk Water Scheme | B | MP303 | Mkhondo Local Municipality | Mkhondo and Msukaligwa Local Municipality | - | - | - | 100 000 | 57 798 | 60 110 |
| RBIG 6B | Lekwa Waster Services (Re-purposing/Operations) | B | MP305 | Lekwa Local Municipality | Lekwa Local Municipality | - | - | - | 100 000 | 56 800 | 59 072 |
| RBIG 6B | Lekwa Waster Services | B | MP305 | Lekwa Local Municipality | Lekwa Local Municipality | - | - | - | 5 000 | 5 000 | 5 200 |
| RBIG 6B | Balf/Siyat/Greyl/Willem/Nthor Bulk Water Supply | B | MP306 | Dipaleseng Local Municipality | Dipaleseng Local Municipality | - | - | - | 12 000 | 30 000 | 31 200 |
| RBIG 6B | Embalenhle Bulk Sewer and Waste Water Treatment Works Refurbishment and Upgrading | B | MP307 | Goven Mbeki Local Municipality | Goven Mbeki Local Municipality | - | - | - | 5 000 | 10 000 | 10 400 |
| | | **Total: Gert Sibande Municipalities** | | | | **255 000** | **360 887** | **385 167** | **222 000** | **159 598** | **165 982** |
| RBIG 5B | Emalahleni RBWS (Conitional Assessment) | B | MP312 | Emalahleni Local Municipality | Emalahleni Local Municipality | 30 000 | - | - | - | - | - |
| RBIG 5B | Refurbishment and Upgrading of Boskrans Waste Water Treatment Works | B | MP313 | Steve Tshwete Local Municipality | Steve Tshwete Local Municipality | - | 50 000 | 40 000 | - | - | - |
| RBIG 5B | Refurbishment and Upgrading of Kwazamokhule Waste Water Treatment Works | B | MP313 | Steve Tshwete Local Municipality | Steve Tshwete Local Municipality | 1 000 | 10 000 | 30 000 | - | - | - |
| RL35 | Thembisile Water Scheme (Loskop) | B | MP315 | Thembisile Hani Local Municipality | Thembisile Local Municipality | 98 887 | - | - | 250 000 | 200 000 | 208 000 |
| RL36 | Western Highveld (Rust de Winter) Bulk Water Supply Scheme | B | MP316 | Dr JS Moroka Local Municipality | Dr JS Moroka and Thembisile Hani Local Municipalities | - | - | - | 5 000 | 10 000 | 10 400 |
| | | **Total: Nkangala Municipalities** | | | | **129 887** | **60 000** | **70 000** | **255 000** | **210 000** | **218 400** |
| RBIG 5B | Thaba Chweu Regional Bulk Water Supply (Leroro, Matibidi, Moremela) | B | MP321 | Thaba Chweu | Thaba Chweu | 5 000 | 30 000 | 30 000 | - | - | - |
| RS37 | Driekoppies Upgrading | B | MP324 | Nkomazi Local Municipality | Nkomazi Local Municipality | - | - | - | 58 042 | - | - |
| RS30 | Upgrade of KaMhlutshwa Waste Water Treatment Works (Nyathi) | B | MP324 | Nkomazi Local Municipality | Nkomazi Local Municipality | 10 000 | 10 000 | 30 600 | - | - | - |
| RBIG 5B | Upgrading of Mkhuhlu Waste Water Treatment Works | B | MP325 | Bushbuckridge Local Municipality | Bushbuckridge Local Municipality | 1 000 | 40 000 | 40 000 | - | - | - |
| | | **Total: Ehlanzeni Municpalities** | | | | **16 000** | **80 000** | **100 600** | **58 042** | **-** | **-** |
| | | | | | | | | | | | |
| | | **Total: Mpumalanga Municipalities** | | | | **400 887** | **500 887** | **555 767** | **535 042** | **369 598** | **384 382** |
| **NORTHERN CAPE** | | | | | | | | | | | |
| BEP | Campbell | B | NC078 | Siyancuma Local Municipality | Siyancuma Local Municipality | - | - | - | 1 913 | - | - |
| | | **Total: Pixley ka Seme Municipalities** | | | | **-** | **-** | **-** | **1 913** | **-** | **-** |
| BEP | Postdene -Maranteg Construction West | B | NC085 | Tsantsabane Local Municipality | Tsantsabane Local Municipality | - | - | - | 4 327 | - | - |
| RS28 | Upington Wasterwater treatment works | B | NC087 | Dawid Kruiper Local Municipallity | Dawid Kruiper Local Municipallity | - | - | - | 20 000 | 100 000 | 80 000 |
| | | **Total: Z.F. Mgcawu Municipalities** | | | | | **-** | **-** | **24 327** | **100 000** | **80 000** |
| BFI | Sol Plaatjie Local Municipality - Integrated Bulk Supply System Intervention | B | NC091 | Sol Plaatje Local Municipality | Sol Plaatje Local Municipality | 574 000 | 579 000 | 490 000 | - | - | - |
| BEP | Motwedi Moosa - Old Sedibeng Project | B | NC091 | Sol Plaatje Local Municipality | Sol Plaatje Local Municipality | - | - | - | 940 | - | - |
| Covid-19 | Warrenton Waste Water Treatment Works | B | NC093 | Magareng Local Municipality | Magareng Local Municipality | - | - | - | 9 960 | 5 000 | - |
| | | **Total: Frances Baard Municipalities** | | | | **574 000** | **579 000** | **490 000** | **10 900** | **5 000** | **-** |
| | | | | | | | | | | | |
| | | **Total: Northern Cape Municipalities** | | | | **574 000** | **579 000** | **490 000** | **37 140** | **105 000** | **80 000** |

**APPENDIX W5**

**APPENDIX TO SCHEDULE 5, PART B AND SCHEDULE 6, PART B: REGIONAL BULK INFRASTRUCTURE GRANT**

**BREAKDOWN OF REGIONAL BULK INFRASTRUCTURE GRANT ALLOCATIONS PER LOCAL MUNICIPALITY PER PROJECT**

| Breakdown of regional bulk infrastructure grant allocations per local municipality per project | | | | | | Schedule 5, Part B | | | Schedule 6, Part B | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | National and Municipal Financial Year | | | National and Municipal Financial Year | | |
| Project Code | Project Name | Category | | Water Services Authority | Benefitting Municipality | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTH WEST** | | | | | | | | | | | |
| RL15 | Moretele South Bulk Water Supply (Klipdrift) | B | NW371 | Moretele Local Municipality | Moretele Local Municipality | - | - | - | 61 899 | 62 262 | 75 152 |
| RL09 | Madibeng Bulk Water Supply (Brits) | B | NW372 | Madibeng Local Municipality | Madibeng Local Municipality | - | - | - | 28 112 | 28 112 | 29 236 |
| | | **Total: Bojanala Platinum Municipalities** | | | | **-** | **-** | **-** | **90 011** | **90 374** | **104 388** |
| RS32 | Ratlou Bulk Water Supply | C | DC38 | Ngaka Modiri Molema Local Municipality | Ratlou Local Municipality | - | - | - | 10 000 | 10 000 | 10 400 |
| RL33 | Mafikeng South Bulk Water Supply | C | DC38 | Ngaka Modiri Molema Local Municipality | Mafikeng Local Municipality | - | - | - | 42 000 | 52 000 | 54 080 |
| | | **Total: Ngaka Modiri Molema Municipalities** | | | | **-** | **-** | **-** | **52 000** | **62 000** | **64 480** |
| RBIG 5B | Taung/Naledi Bulk Water Supply (Phase 1 to 3) | C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | Naledi and Greater Taung Local Municipalities | 100 000 | 100 000 | 100 500 | - | - | - |
| RBIG 5B | Greater Mamusa Bulk Water Supply (Phase 1 to 4) - Bloemhof | C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | Mamusa Local Municipality | 57 588 | 57 588 | 57 912 | - | - | - |
| RBIG 5B | Kagisano Molapo Bulk Water Supply | C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | Kagisano-Molopo Local Municipality | 150 000 | 100 000 | 100 750 | - | - | - |
| RBIG 5B | Tlapeng - Cluster 2 | C | DC39 | Dr Ruth Segomotsi Mompati District Municipality | Kagisano-Molopo Local Municipality | 150 000 | 138 498 | 138 498 | - | - | - |
| | | **Total: Dr Ruth Segomotsi Mompati Municipalities** | | | | **457 588** | **396 086** | **397 660** | **-** | **-** | **-** |
| RS35 | Potchefstroom Waste Water Treatment Works upgrade (Tlokwe) - Phase 1 to 5 | B | NW405 | JB Marks Local Municipality | JB Marks Local Municipality | - | - | - | 42 000 | 72 000 | 74 880 |
| | | **Total: Dr Kenneth Kaunda Municipalities** | | | | **-** | **-** | **-** | **42 000** | **72 000** | **74 880** |
| | | | | | | | | | | | |
| | | **Total: North West Municipalities** | | | | **457 588** | **396 086** | **397 660** | **184 011** | **224 374** | **243 748** |
| **WESTERN CAPE** | | | | | | | | | | | |
| RS134 | Clanwilliam /Lambertsbaai Regional Water Supply and Desalination | B | WC014 | Cederberg Local Municipality | Cederberg Local Municipality | - | - | - | 16 016 | 16 040 | 16 843 |
| | | **Total: West Coast Municipalities** | | | | **-** | **-** | **-** | **16 016** | **16 040** | **16 843** |
| RBIG 5B | Drakenstein Local Municipality - Sanitation Infrastructure Project | B | WC023 | Drakenstein Local Municipality | Drakenstein Local Municipality | 490 000 | 225 000 | - | - | - | - |
| | | **Total: Cape Winelands Municipalities** | | | | **490 000** | **225 000** | **-** | **-** | **-** | **-** |
| | | | | | | | | | | | |
| | | **Total: Western Cape Municipalities** | | | | **490 000** | **225 000** | **-** | **16 016** | **16 040** | **16 843** |
| | | | | | | | | | | | |
| **National Total** | | | | | | **3 756 930** | **3 230 325** | **3 026 045** | **3 226 507** | **3 231 507** | **3 377 638** |

**APPENDIX W6**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE EARLY CHILDHOOD DEVELOPMENT GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

**(National Financial Years)**

## APPENDIX W6

## APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE EARLY CHILDHOOD DEVELOPMENT GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

| **Basic Education (Vote 16)** | **Early Childhood Development Grant** | | |
|---|---|---|---|
| | **National Financial Year** | | |
| **Province/Components** | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **Early Childhood Development Grant** | | | |
| Eastern Cape | 330 004 | 358 239 | 375 180 |
| Free State | 96 038 | 106 433 | 111 516 |
| Gauteng | 399 129 | 436 526 | 457 403 |
| KwaZulu-Natal | 308 627 | 342 033 | 358 648 |
| Limpopo | 295 968 | 324 560 | 340 106 |
| Mpumalanga | 152 262 | 166 379 | 174 250 |
| Northern Cape | 35 593 | 39 783 | 41 625 |
| North West | 173 858 | 186 594 | 195 220 |
| Western Cape | 155 053 | 175 154 | 183 809 |
| **Total** | **1 946 532** | **2 135 701** | **2 237 757** |
| *of which:* | | | |
| **Infrastructure Component** | | | |
| Eastern Cape | 20 617 | 34 679 | 36 991 |
| Free State | 11 148 | 17 652 | 18 721 |
| Gauteng | 28 588 | 49 009 | 52 366 |
| KwaZulu-Natal | 28 792 | 49 378 | 52 762 |
| Limpopo | 23 186 | 39 285 | 41 933 |
| Mpumalanga | 12 675 | 20 396 | 21 666 |
| Northern Cape | 6 585 | 9 446 | 9 917 |
| North West | 9 527 | 14 736 | 15 592 |
| Western Cape | 20 460 | 34 395 | 36 686 |
| **Total: Infrasructure Component** | **161 578** | **268 976** | **286 634** |
| **Subsidy Component** | | | |
| Eastern Cape | 309 387 | 323 560 | 338 189 |
| Free State | 84 890 | 88 781 | 92 795 |
| Gauteng | 370 541 | 387 517 | 405 037 |
| KwaZulu-Natal | 279 835 | 292 655 | 305 886 |
| Limpopo | 272 782 | 285 275 | 298 173 |
| Mpumalanga | 139 587 | 145 983 | 152 584 |
| Northern Cape | 29 008 | 30 337 | 31 708 |
| North West | 164 331 | 171 858 | 179 628 |
| Western Cape | 134 593 | 140 759 | 147 123 |
| **Total: Subsidy Component** | **1 784 954** | **1 866 725** | **1 951 123** |

**APPENDIX W7**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE DISTRICT HEALTH PROGRAMMES GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

**(National Financial Years)**

## APPENDIX W7

## APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF THE DISTRICT HEALTH PROGRAMMES GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

| **Health (Vote 18)** | **District Health Programmes Grant** | | |
|---|---|---|---|
| | **National Financial Year** | | |
| **Province/Components** | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **District Health Programmes Grant** | | | |
| Eastern Cape | 3 110 225 | 3 253 178 | 3 400 306 |
| Free State | 1 698 705 | 1 776 896 | 1 857 267 |
| Gauteng | 6 097 851 | 6 378 266 | 6 666 739 |
| KwaZulu-Natal | 7 466 119 | 7 809 680 | 8 162 912 |
| Limpopo | 2 542 523 | 2 659 501 | 2 779 784 |
| Mpumalanga | 2 612 272 | 2 732 440 | 2 856 024 |
| Northern Cape | 759 857 | 794 840 | 830 792 |
| North West | 1 891 857 | 1 978 908 | 2 068 410 |
| Western Cape | 2 159 495 | 2 258 795 | 2 360 954 |
| **Total** | **28 338 904** | **29 642 504** | **30 983 188** |
| *of which:* | | | |
| **Comprehensive HIV/AIDS Component** | | | |
| Eastern Cape | 2 853 800 | 2 984 884 | 3 119 876 |
| Free State | 1 526 846 | 1 597 080 | 1 669 316 |
| Gauteng | 5 474 810 | 5 726 382 | 5 985 366 |
| KwaZulu-Natal | 6 721 158 | 7 030 229 | 7 348 199 |
| Limpopo | 2 002 464 | 2 094 444 | 2 189 166 |
| Mpumalanga | 2 227 391 | 2 329 746 | 2 435 113 |
| Northern Cape | 638 742 | 668 117 | 698 336 |
| North West | 1 574 162 | 1 646 509 | 1 720 975 |
| Western Cape | 1 908 016 | 1 995 732 | 2 085 995 |
| **Total** | **24 927 389** | **26 073 123** | **27 252 342** |
| **District Health Component** | | | |
| Eastern Cape | 256 425 | 268 294 | 280 430 |
| Free State | 171 859 | 179 816 | 187 951 |
| Gauteng | 623 041 | 651 884 | 681 373 |
| KwaZulu-Natal | 744 961 | 779 451 | 814 713 |
| Limpopo | 540 059 | 565 057 | 590 618 |
| Mpumalanga | 384 881 | 402 694 | 420 911 |
| Northern Cape | 121 115 | 126 723 | 132 456 |
| North West | 317 695 | 332 399 | 347 435 |
| Western Cape | 251 479 | 263 063 | 274 959 |
| **Total** | **3 411 515** | **3 569 381** | **3 730 846** |

**APPENDIX W8**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF HUMAN RESOURCES AND TRAINING GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

**(National Financial Years)**

## APPENDIX W8

## APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF HUMAN RESOURCES AND TRAINING GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

| **Health (Vote 18)** | **Human Resources and Training Grant** | | |
|---|---|---|---|
| | **National Financial Year** | | |
| **Province/Components** | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **Human Resources and Training Grant** | | | |
| Eastern Cape | 596 426 | 613 899 | 641 671 |
| Free State | 291 291 | 304 772 | 318 560 |
| Gauteng | 1 918 791 | 2 007 484 | 2 098 299 |
| KwaZulu-Natal | 788 597 | 825 091 | 862 419 |
| Limpopo | 378 833 | 390 479 | 408 145 |
| Mpumalanga | 286 454 | 294 883 | 308 223 |
| Northern Cape | 156 271 | 159 605 | 166 826 |
| North West | 281 678 | 289 412 | 302 504 |
| Western Cape | 951 596 | 995 628 | 1 040 670 |
| Unallocated | - | 30 004 | 31 361 |
| **Total** | **5 649 937** | **5 911 257** | **6 178 678** |
| *of which:* | | | |
| **Statutory Human Resources Component** | | | |
| Eastern Cape | 307 406 | 321 639 | 336 189 |
| Free State | 126 155 | 131 997 | 137 968 |
| Gauteng | 847 368 | 886 598 | 926 709 |
| KwaZulu-Natal | 417 597 | 436 932 | 456 699 |
| Limpopo | 216 759 | 226 794 | 237 055 |
| Mpumalanga | 148 417 | 155 289 | 162 314 |
| Northern Cape | 47 569 | 49 770 | 52 023 |
| North West | 134 971 | 141 220 | 147 609 |
| Western Cape | 384 725 | 402 538 | 420 749 |
| **Total** | **2 630 967** | **2 752 777** | **2 877 315** |
| **Training Component** | | | |
| Eastern Cape | 289 020 | 292 260 | 305 482 |
| Free State | 165 136 | 172 775 | 180 592 |
| Gauteng | 1 071 423 | 1 120 886 | 1 171 590 |
| KwaZulu-Natal | 371 000 | 388 159 | 405 720 |
| Limpopo | 162 074 | 163 685 | 171 090 |
| Mpumalanga | 138 037 | 139 594 | 145 909 |
| Northern Cape | 108 702 | 109 835 | 114 803 |
| North West | 146 707 | 148 192 | 154 895 |
| Western Cape | 566 871 | 593 090 | 619 921 |
| Unallocated | - | 30 004 | 31 361 |
| **Total** | **3 018 970** | **3 158 480** | **3 301 363** |

**APPENDIX W9**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENTS**

**(National Financial Years)**

**APPENDIX W9**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENTS**

| Province/Provincial Department | Expanded Public Works Programme Integrated Grant for Provinces | | | |
|---|---|---|---|---|
| | FTE Target for 2025/26 | National Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **EASTERN CAPE** | | | | |
| Community Safety | 43 | 3 307 | - | - |
| Co-op Governance and Traditional Affairs | 32 | 2 492 | - | - |
| Economic Development and Environmental Affairs | 45 | 3 432 | - | - |
| Education | 387 | 29 800 | - | - |
| Health | 157 | 12 111 | - | - |
| Human Settlement | 69 | 3 447 | - | - |
| Public Works | 127 | 9 768 | - | - |
| Rural Development and Agrarian Reform | 19 | 1 467 | - | - |
| Social Development | 100 | 7 658 | - | - |
| Sports, Recreation, Arts and Culture | 32 | 2 500 | - | - |
| Transport | 551 | 42 395 | - | - |
| **Total: Eastern Cape** | **1 562** | **118 377** | - | - |
| **FREE STATE** | | | | |
| Economic, Small Business Development, Tourism and Environmental Affairs | 42 | 3 266 | - | - |
| Education | 87 | 6 721 | - | - |
| Health | 125 | 9 595 | - | - |
| Police, Roads and Transport | 69 | 5 292 | - | - |
| Public Works and Infrastructure | 55 | 4 232 | - | - |
| Social Development | 68 | 5 206 | - | - |
| Sports, Arts, Culture and Recreation | 35 | 2 713 | - | - |
| **Total: Free State** | **481** | **37 025** | - | - |
| **GAUTENG** | | | | |
| Environment | 104 | 7 998 | - | - |
| Community Safety | 108 | 8 342 | - | - |
| Economic Development | 17 | 1 315 | - | - |
| Education | 83 | 6 420 | - | - |
| Health | 165 | 12 655 | - | - |
| Human Settlement | 16 | 1 232 | - | - |
| Infrastructure Development | 190 | 14 631 | - | - |
| Roads and Transport | 111 | 8 524 | - | - |
| Social Development | 158 | 12 123 | - | - |
| Sports, Arts, Culture and Recreation | 40 | 3 042 | - | - |
| **Total: Gauteng** | **992** | **76 282** | - | - |
| **KWAZULU-NATAL** | | | | |
| Agriculture and Rural Development | 57 | 4 398 | - | - |
| Arts, Culture and Tourism | 29 | 2 261 | - | - |
| Community Safety and Liaison | 69 | 5 324 | - | - |
| Co-operative Governance and Traditional Affairs | 45 | 3 440 | - | - |
| Economic Development, Tourism and Environmental Affairs | 80 | 6 161 | - | - |
| Education | 149 | 11 471 | - | - |
| Health | 356 | 27 391 | - | - |
| Human Settlement | 68 | 5 243 | - | - |
| Public Works | 70 | 5 418 | - | - |
| Social Development | 237 | 18 217 | - | - |
| Sport and Recreation | 40 | 3 102 | - | - |
| Transport | 710 | 54 593 | - | - |
| **Total: KwaZulu-Natal** | **1 910** | **147 019** | - | - |
| **LIMPOPO** | | | | |
| Agriculture and Rural Development | 69 | 5 289 | - | - |
| Co-operative Governance, Human Settlements & Traditional Affairs | 44 | 3 348 | - | - |
| Economic Development, Environment and Tourism | 38 | 2 914 | - | - |
| Education | 206 | 15 847 | - | - |
| Health | 295 | 22 698 | - | - |
| Public Works, Roads and Infrastructure | 157 | 12 083 | - | - |
| Social Development | 78 | 6 010 | - | - |
| Sports, Arts and Culture | 46 | 3 531 | - | - |
| Transport and Community Safety | 47 | 3 641 | - | - |
| **Total: Limpopo** | **980** | **75 361** | - | - |
| **MPUMALANGA** | | | | |
| Agriculture, Rural Development, Land and Environmental Affairs | 69 | 5 284 | - | - |
| Community Safety, Security and Liason | 48 | 3 684 | - | - |
| Co-operative Governance and Traditional Affairs | 46 | 3 504 | - | - |
| Culture, Sports and Recreation | 24 | 1 846 | - | - |
| Economic Development and Tourism | 50 | 3 853 | - | - |
| Education | 27 | 2 115 | - | - |
| Health | 135 | 10 420 | - | - |
| Public Works, Roads and Transport | 99 | 7 650 | - | - |
| Social Development | 55 | 4 212 | - | - |
| **Total: Mpumalanga** | **553** | **42 568** | - | - |

**APPENDIX W9**

**APPENDIX TO SCHEDULE 5, PART A: BREAKDOWN OF EPWP INTEGRATED GRANT FOR PROVINCES: TARGETS AND ALLOCATIONS PER PROVINCIAL DEPARTMENTS**

| Province/Provincial Department | Expanded Public Works Programme Integrated Grant for Provinces | | | |
|---|---|---|---|---|
| | FTE Target for 2025/26 | National Financial Year | | |
| | | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **NORTHERN CAPE** | | | | |
| Agriculture , Environmental Affairs, Land Reform and Rural Development | 23 | 1 757 | - | - |
| Co-operative Governance, Human Settlements and Traditional Affairs | 38 | 2 936 | - | - |
| Education | 43 | 3 272 | - | - |
| Health | 112 | 8 591 | - | - |
| Roads and Public Works | 58 | 4 480 | - | - |
| Social Development | 66 | 5 084 | - | - |
| Sport, Arts and Culture | 38 | 2 950 | - | - |
| Transport, Safety and Liaison | 40 | 3 099 | - | - |
| **Total: Northern Cape** | **418** | **32 169** | - | - |
| **NORTH WEST** | | | | |
| Agriculture and Rural Development | 60 | 4 595 | - | - |
| Arts, Culture, Sports and Recreation | 33 | 2 571 | - | - |
| Community Safety and Transport Management | 45 | 3 436 | - | - |
| Cooperative Governance and Traditional Affairs | 35 | 2 678 | - | - |
| Economic Development, Environment, Conservation and Tourism | 49 | 3 775 | - | - |
| Education | 84 | 6 438 | - | - |
| Health | 160 | 12 285 | - | - |
| Public Works and Roads | 194 | 14 932 | - | - |
| Social Development | 52 | 3 998 | - | - |
| **Total: North West** | **712** | **54 708** | - | - |
| **WESTERN CAPE** | | | | |
| Agriculture | 36 | 2 775 | - | - |
| Community Safety | 65 | 4 970 | - | - |
| Cultural Affairs and Sport | 72 | 5 540 | - | - |
| Education | 108 | 8 284 | - | - |
| Environmental Affairs and Development Planning | 39 | 2 978 | - | - |
| Health | 146 | 11 237 | - | - |
| Infrastructure | 27 | 2 079 | - | - |
| Mobility | 27 | 2 079 | - | - |
| Social Development | 49 | 3 761 | - | - |
| **Total: Western Cape** | **569** | **43 703** | - | - |
| | | | | |
| Unallocated | | | 656 000 | 685 669 |
| | | | | |
| **Grand Total** | **8 177** | **627 212** | **656 000** | **685 669** |

**APPENDIX W10**

**APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF SCHOOL INFRASTRUCTURE BACKLOGS GRANT: ALLOCATIONS PER PROVINCE**

**(National Financial Years)**

## APPENDIX W10

## APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF SCHOOL INFRASTRUCTURE BACKLOGS GRANT: ALLOCATIONS PER PROVINCE

| **Basic Education (Vote 16)** | **School Infrastructure Backlogs Grant** | | |
|---|---|---|---|
| | **National Financial Year** | | |
| **Province** | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **School Infrastructure Backlogs Grant** | | | |
| Eastern Cape | 506 992 | - | - |
| Free State | 64 310 | - | - |
| Gauteng | 65 895 | - | - |
| KwaZulu-Natal | 491 366 | - | - |
| Limpopo | 69 800 | - | - |
| Mpumalanga | 93 350 | - | - |
| Northern Cape | 60 410 | - | - |
| North West | 43 930 | - | - |
| Western Cape | - | - | - |
| Unallocated | 230 627 | 450 000 | - |
| **Total** | **1 626 680** | **450 000** | **-** |

**APPENDIX W11**

**APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF NATIONAL HEALTH INSURANCE INDIRECT GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE**

**(National Financial Years)**

## APPENDIX W11

## APPENDIX TO SCHEDULE 6, PART A: BREAKDOWN OF NATIONAL HEALTH INSURANCE INDIRECT GRANT: ALLOCATIONS PER GRANT COMPONENT PER PROVINCE

| **Health (Vote 18)** | **National Health Insurance Indirect Grant** | | |
|---|---|---|---|
| | **National Financial Year** | | |
| **Province/Components** | *2025/26 (R'000)* | *2026/27 (R'000)* | *2027/28 (R'000)* |
| **National Health Insurance Indirect Grant** | | | |
| Eastern Cape | 453 172 | 424 347 | 443 527 |
| Free State | 139 686 | 136 479 | 142 648 |
| Gauteng | 100 514 | 100 508 | 105 051 |
| KwaZulu-Natal | 75 797 | 77 811 | 81 328 |
| Limpopo | 1 839 779 | 1 168 757 | 1 155 440 |
| Mpumalanga | 217 772 | 208 184 | 217 594 |
| Northern Cape | 75 797 | 77 811 | 81 328 |
| North West | 189 240 | 181 985 | 190 211 |
| Western Cape | 75 797 | 77 811 | 81 328 |
| Unallocated | 115 000 | 119 832 | 125 544 |
| **Total** | **3 282 554** | **2 573 525** | **2 623 999** |
| *of which:* | | | |
| **Health Facility Revitalisation Component** | | | |
| Eastern Cape | 377 375 | 346 536 | 362 199 |
| Free State | 63 889 | 58 668 | 61 320 |
| Gauteng | 24 717 | 22 697 | 23 723 |
| KwaZulu-Natal | - | - | - |
| Limpopo | 1 763 982 | 1 090 946 | 1 074 112 |
| Mpumalanga | 141 975 | 130 373 | 136 266 |
| Northern Cape | - | - | - |
| North West | 113 443 | 104 174 | 108 883 |
| Western Cape | - | - | - |
| **Total** | **2 485 381** | **1 753 394** | **1 766 503** |
| **Health Systems Component** | | | |
| Eastern Cape | 75 797 | 77 811 | 81 328 |
| Free State | 75 797 | 77 811 | 81 328 |
| Gauteng | 75 797 | 77 811 | 81 328 |
| KwaZulu-Natal | 75 797 | 77 811 | 81 328 |
| Limpopo | 75 797 | 77 811 | 81 328 |
| Mpumalanga | 75 797 | 77 811 | 81 328 |
| Northern Cape | 75 797 | 77 811 | 81 328 |
| North West | 75 797 | 77 811 | 81 328 |
| Western Cape | 75 797 | 77 811 | 81 328 |
| Unallocated | 115 000 | 119 832 | 125 544 |
| **Total** | **797 173** | **820 131** | **857 496** |

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