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. 54086 of 6 February 2026)
(The English text is the official text of the Bill)

(MINISTER OF FINANCE)

[B 5—2026]

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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 2026/27 financial year; the determination of each province's equitable share; allocations to provinces 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 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,

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

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CHAPTER 1

INTERPRETATION AND OBJECTS OF ACT

Interpretation

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

''**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);

''**Community Library Services Grant**'' means the Community Library Services Grant referred to in Part A Schedule 5;

''**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 Resources and Training Grant**'' means the Human Resources and Training 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;

''**Informal Settlements Upgrading Partnership Grant: Provinces**'' means the Informal Settlements Upgrading Partnership Grant: Provinces referred to in Part A of Schedule 5;

''**intermediate city municipality**'' means a category B1 municipality as envisaged in the Integrated Urban Development Framework, 2016;

''**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 as 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;

''**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 Settlements Development Grant**'' means the Urban Settlements Development 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 2026/27 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 2027/28 financial year and the 2028/29 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 2026/27 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 2027/28 financial year and the 2028/29 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 2026/27 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 2027/28 financial year and the 2028/29 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

8 July 2026, 9 December 2026 and 10 March 2027, 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 2026/27 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 2026/27 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, 2026, 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 2026/27 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 2027/28 financial year and the 2028/29 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, 2026, 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 2026/27 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 2027/28 financial year and the 2028/29 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, 2026, 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 portions 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 Settlements Development 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 2026/27 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 working 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 working 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 2026/27 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, referred to in Part A of Schedules 5 and 6, 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 2026/27 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 2026, December 2026, March 2027 and June 2027, report to the transferring officer, the relevant provincial treasury and the National Treasury—

(i) in respect of the Urban Development Financing Grant and Urban Settlements Development Grant, on financial performance against its capital budget and the measures defined in its service delivery and budget implementation plan; and

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

(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 Settlements Development 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 Settlements Development Grant, Public Transport Network Grant and Integrated National Electrification Programme Grant referred to in Part B of Schedules 5 and 6, 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, where applicable, the relevant provincial treasury, within two months after the end of the 2026/27 financial year of the provincial department or a municipality, as the case may be.

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 to the relevant provincial treasury, the National Treasury and the relevant transferring officer 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 2026/27 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 2026/27 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, where applicable, the relevant provincial treasury, within two months after the end of the 2026/27 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 2026/27 financial year, the 2027/28 financial year and the 2028/29 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 2026/27 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 working 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 working 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 2026/27 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 2026/27 financial year

14. (1) The 2026/27 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 2026/27 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 2026/27 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 2026/27 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 2026/27 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 2026/27 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;

(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; or

(iii) any organ of state may receive funds directly from the transferring officer of the Department of Cooperative Governance in consultation with the National Treasury.

(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, the relevant water board, or the relevant organ of state 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 2026/27 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, the relevant water board or the relevant organ of state—

(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, the relevant water board or the relevant organ of state.

(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, the relevant water board or the relevant organ of state.

(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, the relevant water board or the relevant organ of state 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, the relevant water board or the relevant organ of state must request the roll-over of unspent funds through the relevant transferring officer.

(7)*(a)* For purposes of the Human Settlements Development Grant, the Informal Settlements Upgrading Partnership Grant: Provinces and the Community Library Services Grant, 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 any aspects, including financial administration of a national housing programme or library services (herein called ''assigned functions'') as at 1 April 2026, 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 2026, the National Treasury may approve that paragraph *(a)* applies.

(c) If the transfer of the Human Settlements Development Grant, the Informal Settlements Upgrading Partnership Grant: Provinces and the Community Library Services Grant 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 2027 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 working 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 2026/27 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 Schedules 4 and 5 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 2026/27 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 2026; and

(b) a municipality, be submitted to the National Treasury by 29 January 2027.

(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)*(a)* 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 allocation, or a portion thereof, 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 2026/27 financial year.

(b) When a Schedule 5 allocation, or a portion thereof, of a category B municipality is stopped in terms of section 18(1)*(a)*(ii), the National Treasury may, after consultation with the transferring officer, determine that the allocation, or a portion thereof, be reallocated to a category C municipality, as the same type of allocation as it was allocated originally, on condition that the allocation, or portion thereof, must be spent by the end of the 2026/27 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 2026/27 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 working 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 2026/27 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 2026/27 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 2026/27 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) a national, provincial department or an organ of state 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 2026/27 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 2027/28 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 working 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 working 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 working 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 working 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 2027/28 financial year and 2028/29 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 2027/28 financial year and the 2028/29 financial year as set out in Column B of the Schedules to this Act, by 15 September 2026—

(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 2027/28 financial year and the 2028/29 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 not 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 2 October 2026, 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 27 November 2026.

(ii) If the transferring officer fails to submit the allocations referred to in subparagraph (i) by 27 November 2026, the National Treasury may determine the appropriate allocations, taking into consideration the indicative allocations for the 2027/28 financial year.

(2)*(a)* The transferring officer of a conditional allocation, using the indicative conditional allocations for the 2027/28 financial year and the 2028/29 financial year, as set out in Column B of the affected Schedules to this Act, must, by 2 October 2026, 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 2027/28 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 2027/28 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 27 November 2026, 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 2027/28 financial year.

(g)(i) The National Treasury may amend final allocations and frameworks 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 working 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 2027/28 financial year.

(4)*(a)* For purposes of the Education Infrastructure Grant or the Health Facility Revitalisation Grant in the 2027/28 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 2026/27 financial year, the amended document must be approved by the Executive Council of the province before submission to the National Treasury within 14 working days after such approval.

(5)*(a)* An intermediate city 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 2026.

(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 2 October 2026, 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 2027, a first draft of its three-year capital programme and the 10-year Capital Expenditure Framework; and

(ii) by 1 June 2027, 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 2027/28 financial year—

(i) on the same date that its budget for the 2027/28 financial year is tabled in the provincial legislature; or

(ii) on a date not later than 15 June 2027, 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 2027.

Transfers before commencement of Division of Revenue Act for 2027/28 financial year

27. (1) Despite the Division of Revenue Act for the 2027/28 financial year not having commenced on 1 April 2027, the National Treasury, subject to subsection (2), may determine an amount of—

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

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

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

(2) An amount transferred in terms of subsection (1) may not—

(a) during the first four months of that financial year, exceed 45 per cent of the total amount allocated in the 2026/27 financial year;

(b) during each of the following months, exceed 10 per cent of the total amount appropriated in the 2026/27 financial year; and

(c) in aggregate, exceed the total amount allocated in the 2026/27 financial year.

(3) An amount transferred in terms of subsection (1)*(c)* is, with the necessary changes, subject to the applicable framework for the 2026/27 financial year and the other requirements of this Act, as if it is an amount of an allocation for the 2026/27 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 14 working 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 2026/27 financial year, the 2027/28 financial year and the 2028/29 financial year, except if submitted in terms of any other legislation before the end of the 14 working 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 2026/27 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 2027/28 financial year and the 2028/29 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 5 February 2027 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 working days after this Act takes effect and any amended payment schedule, agreed to, within 14 working 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 working 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.

Transitional measures for municipal election in 2026

37. (1)*(a)* Despite section 5(1) and (2), if the date set for an election of all municipal councils in terms of section 24 of the Municipal Structures Act, is after 30 June 2026, the National Treasury must, within 14 working days after this Act takes effect, determine and publish by notice in the *Gazette*—

(i) each municipality's equitable share of local government's share of revenue raised nationally in respect of the 2026/27 financial year; and

(ii) the envisaged division between municipalities of revenue anticipated to be raised nationally in respect of the 2027/28 financial year and the 2028/29 financial year, and which is subject to the annual Division of Revenue Acts for those financial years.

(b) The notice takes effect on the date of its publication in the *Gazette*.

(c) The National Treasury must submit the notice to Parliament for its approval.

(d) Parliament may, within 60 days after submission of the notice, approve amendments to the notice.

(e) If Parliament amends the notice, the National Treasury must, within 14 working days, after the approval of Parliament, publish the amended notice in the *Gazette*.

(f) The amended notice takes effect from the date that the notice took effect as envisaged in paragraph *(b)*.

(g) Any increase in the equitable share of a municipality because of the amended notice must be effected through a fourth transfer provided for in subsection (2) and any decrease through a proportional reduction of the remaining transfers to the affected municipality.

(h) If required, as a result of different municipalities in existence from the date of the election, the National Treasury may amend the notice published in terms of paragraph *(a)* or *(e)*.

(i) Paragraphs *(b)* to *(g)* apply with the necessary changes to an amendment in terms of paragraph *(h)*.

(2) If the date set for the election is after 30 June 2026 as envisaged in subsection (1), the National Treasury may, after consultation with the Department of Cooperative Governance and by notice in the *Gazette*—

(a) amend the date of 8 July 2026 referred to in section 5(3); and

(b) in addition to the three transfers referred to in section 5(3), approve a fourth transfer on a date before 9 December 2026 for one or more municipalities and the date for that transfer.

(3)*(a)* If the date set for an election is after 30 June 2026 as envisaged in subsection (1), the National Treasury must, for purposes of alignment of the allocation with municipalities as in existence from the date of election, amend, by notice in the *Gazette*—

(i) a conditional allocation for a municipality in Part B of Schedule 4;
(ii) a conditional allocation for a municipality in Part B of Schedule 5 published in terms of section 16(1)*(a)*; and
(iii) an indicative conditional allocation for a municipality in Part B of Schedule 6, published in terms of section 16(1)*(b)*;

(b) Before making any amendments, the National Treasury must consult the relevant transferring officer.

(c) An amendment in terms of paragraph *(a)* takes effect on the date of publication of the notice in the *Gazette*.

(4)*(a)* The transferring officer of a Schedule 4 or 5 allocation may, after consultation with the Department of Cooperative Governance, request a coordinating structure established by the provincial department responsible for local government for a re-demarcated municipality to prepare a draft business plan for the allocation, in accordance with the framework for that allocation.

(b) All transfers for the 2026/27 financial year may be made based on the draft business plan.

(c) The receiving officer must, within two months after the election of all municipal councils, submit the business plan to the transferring officer.

(d) All subsequent transfers must be based on business plans approved by the relevant receiving officer.

(5)*(a)* A category B municipality (herein called ''the releasing municipality'') from which a particular area is transferred with effect from the date of the municipal election, must continue to spend its allocations, in that particular area, as if that area was not transferred to another category B municipality (herein called ''the receiving municipality''), unless the affected municipalities have entered into an agreement that ensures that the relocated area is not negatively affected.

(b) The transferring officer of an allocation and the receiving municipality must monitor that the releasing municipality complies with paragraph *(a)*.

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

(6)*(a)* Sections 18 and 19 apply, with the necessary changes, if a releasing municipality fails to comply with subsection (5)*(a)* or *(c)* in respect of a conditional allocation.

(b) If an allocation is stopped in terms of paragraph *(a)*, the National Treasury may, after consultation with the transferring officer, determine that a portion of the allocation be reallocated to the receiving municipality.

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

(8)*(a)* The envisaged allocation contemplated in section 5(2) or subsection (1)*(a)*(ii), as the case may be, and section 8(2) are subject to adjustments necessitated by the re-demarcation of any municipal boundaries.

(b) The transferring officer of a conditional allocation must, by the date determined by the National Treasury, inform the National Treasury of any adjustments to the envisaged allocations contemplated in section 8(2) that must be reflected in the Division of Revenue Act for the next financial year.

Repeal of laws and savings

38. (1) Subject to subsection (2)—
(a) the Division of Revenue Act, 2025 (Act No. 2 of 2025), except sections 15 and 25, is hereby repealed;
(b) sections 15 and 25 of the Division of Revenue Act, 2025, are hereby repealed with effect from 1 July 2026 or the date that this Act takes effect, whichever is the later date; and
(c) the Division of Revenue Amendment Act, 2025 (Act No. 12 of 2025), 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 2026/27 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, 2025, 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

39. This Act is called the Division of Revenue Act, 2026, and takes effect on 1 April 2026 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	
	2026/27	Forward Estimates	
		2027/28	2028/29
	R'000	R'000	R'000
National[1,2]	1 602 840 029	1 662 255 195	1 742 618 772
Provincial	670 322 736	698 625 733	720 409 289
Local	110 090 001	114 483 348	118 041 399
TOTAL	**2 383 252 766**	**2 475 364 276**	**2 581 069 460**

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	
	2026/27	Forward Estimates	
		2027/28	2028/29
	R'000	R'000	R'000
Eastern Cape	86 598 556	89 812 902	92 198 807
Free State	36 761 457	38 247 209	39 363 882
Gauteng	140 951 906	147 063 095	151 711 122
KwaZulu-Natal	136 378 118	142 177 502	146 678 660
Limpopo	78 951 229	82 363 593	84 978 627
Mpumalanga	56 019 282	58 585 273	60 580 447
Northern Cape	18 242 252	19 096 640	19 764 502
North West	46 867 158	48 522 477	49 860 269
Western Cape	69 552 778	72 757 042	75 272 973
TOTAL	**670 322 736**	**698 625 733**	**720 409 289**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
EASTERN CAPE					
A	BUF	Buffalo City	1 363 341	1 432 070	1 462 480
A	NMA	Nelson Mandela Bay	1 740 504	1 841 721	1 867 588
B	EC101	Dr Beyers Naude	130 306	134 705	139 662
B	EC102	Blue Crane Route	74 969	76 953	80 313
B	EC104	Makana	139 159	143 934	149 155
B	EC105	Ndlambe	146 218	151 062	156 720
B	EC106	Sundays River Valley	126 877	131 509	136 005
B	EC108	Kouga	212 694	222 318	228 081
B	EC109	Kou-Kamma	74 323	76 965	79 656
C	DC10	Sarah Baartman District Municipality	114 938	117 389	123 067
Total: Sarah Baartman Municipalities			**1 019 484**	**1 054 835**	**1 092 659**
B	EC121	Mbhashe	317 595	314 403	337 969
B	EC122	Mnquma	330 798	327 421	352 019
B	EC123	Great Kei	54 214	53 838	57 721
B	EC124	Amahlathi	134 325	132 977	142 970
B	EC126	Ngqushwa	104 969	103 962	111 735
B	EC129	Raymond Mhlaba	219 561	217 164	233 674
C	DC12	Amathole District Municipality	1 271 415	1 339 255	1 370 912
Total: Amathole Municipalities			**2 432 877**	**2 489 020**	**2 607 000**
B	EC131	Inxuba Yethemba	59 478	60 395	63 217
B	EC135	Intsika Yethu	202 328	200 328	215 325
B	EC136	Emalahleni	157 016	155 384	167 119
B	EC137	Dr. A.B. Xuma	188 551	186 714	200 667
B	EC138	Sakhisizwe	86 575	85 827	92 156
B	EC139	Enoch Mgijima	242 955	243 232	258 293
C	DC13	Chris Hani District Municipality	822 193	866 120	888 028
Total: Chris Hani Municipalities			**1 759 096**	**1 798 000**	**1 884 805**
B	EC141	Elundini	196 347	195 004	208 918
B	EC142	Senqu	192 058	190 570	204 367
B	EC145	Walter Sisulu	83 456	84 724	88 696
C	DC14	Joe Gqabi District Municipality	419 740	441 606	453 308
Total: Joe Gqabi Municipalities			**891 601**	**911 904**	**955 289**
B	EC153	Ngquza Hill	336 935	333 692	358 535
B	EC154	Port St Johns	198 786	197 104	211 537
B	EC155	Nyandeni	339 681	336 660	361 441
B	EC156	Mhlontlo	233 431	230 814	248 440
B	EC157	King Sabata Dalindyebo	461 270	462 420	490 350
C	DC15	O.R. Tambo District Municipality	1 337 290	1 410 805	1 445 092
Total: O.R. Tambo Municipalities			**2 907 393**	**2 971 495**	**3 115 395**
B	EC441	Matatiele	312 797	310 405	332 811
B	EC442	Umzimvubu	281 659	278 914	299 728
B	EC443	Winnie Madikizela-Mandela	350 052	346 992	372 471
B	EC444	Ntabankulu	159 907	158 033	170 214
C	DC44	Alfred Nzo District Municipality	872 031	919 468	942 293
Total: Alfred Nzo Municipalities			**1 976 446**	**2 013 812**	**2 117 517**
Total: Eastern Cape Municipalities			**14 090 742**	**14 512 857**	**15 102 733**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
FREE STATE					
A	MAN	Mangaung	1 272 720	1 346 734	1 365 649
B	FS161	Letsemeng	96 491	99 682	103 411
B	FS162	Kopanong	125 588	129 705	134 600
B	FS163	Mohokare	104 848	107 724	112 342
B	FS164	New Municipality	-	-	-
C	DC16	Xhariep District Municipality	53 059	53 658	56 754
Total: Xhariep Municipalities			**379 986**	**390 769**	**407 107**
B	FS181	Masilonyana	176 843	181 475	189 501
B	FS182	Tokologo	83 224	85 249	89 152
B	FS183	Tswelopele	107 845	110 487	115 539
B	FS184	Matjhabeng	813 898	852 537	873 022
B	FS185	Nala	172 716	177 632	185 092
C	DC18	Lejweleputswa District Municipality	158 406	161 807	169 600
Total: Lejweleputswa Municipalities			**1 512 932**	**1 569 187**	**1 621 906**
B	FS191	Setsoto	284 175	292 909	304 590
B	FS192	Dihlabeng	269 775	281 275	289 320
B	FS193	Nketoana	147 809	152 428	158 415
B	FS194	Maluti-a-Phofung	895 917	919 678	960 344
B	FS195	Phumelela	111 975	115 146	119 986
B	FS196	Mantsopa	124 190	127 927	133 089
C	DC19	Thabo Mofutsanyana District Municipality	141 686	143 366	151 571
Total: Thabo Mofutsanyana Municipalities			**1 975 527**	**2 032 729**	**2 117 315**
B	FS201	Moqhaka	323 918	336 430	347 341
B	FS203	Ngwathe	296 619	306 101	317 991
B	FS204	Metsimaholo	329 025	345 005	352 936
B	FS205	Mafube	144 344	148 587	154 688
C	DC20	Fezile Dabi District Municipality	189 592	196 383	203 217
Total: Fezile Dabi Municipalities			**1 283 498**	**1 332 506**	**1 376 173**
Total: Free State Municipalities			**6 424 663**	**6 671 925**	**6 888 150**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
GAUTENG					
A	EKU	City of Ekurhuleni	6 323 571	6 691 310	6 785 292
A	JHB	City of Johannesburg	8 650 870	9 153 951	9 282 521
A	TSH	City of Tshwane	4 898 214	5 183 063	5 255 861
B	GT421	Emfuleni	1 292 642	1 362 989	1 386 858
B	GT422	Midvaal	196 126	207 358	210 400
B	GT423	Lesedi	240 707	251 978	258 146
C	DC42	Sedibeng District Municipality	330 371	341 897	354 076
Total: Sedibeng Municipalities			**2 059 846**	**2 164 222**	**2 209 480**
B	GT481	Mogale City	740 129	783 170	794 170
B	GT484	Merafong City	344 823	363 318	369 945
B	GT485	Rand West City	525 600	553 468	563 883
C	DC48	West Rand District Municipality	257 403	265 005	275 720
Total: West Rand Municipalities			**1 867 955**	**1 964 961**	**2 003 718**
Total: Gauteng Municipalities			**23 800 456**	**25 157 507**	**25 536 872**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
KWAZULU-NATAL					
A	ETH	eThekwini	5 516 093	5 836 875	5 918 856
B	KZN212	uMdoni	179 468	178 434	190 950
B	KZN213	uMzumbe	165 070	162 991	175 717
B	KZN214	uMuziwabantu	120 515	119 626	128 253
B	KZN216	Ray Nkonyeni	308 900	311 912	328 230
C	DC21	Ugu District Municipality	744 602	784 454	804 162
Total: Ugu Municipalities			**1 518 555**	**1 557 417**	**1 627 312**
B	KZN221	uMshwathi	139 335	139 384	148 199
B	KZN222	uMngeni	113 175	116 505	120 157
B	KZN223	Mpofana	49 481	49 786	52 630
B	KZN224	iMpendle	49 492	49 226	52 695
B	KZN225	Msunduzi	925 767	974 653	993 191
B	KZN226	Mkhambathini	86 737	86 515	92 288
B	KZN227	Richmond	97 091	96 915	103 294
C	DC22	uMgungundlovu District Municipality	826 344	866 473	890 035
Total: uMgungundlovu Municipalities			**2 287 422**	**2 379 457**	**2 452 489**
B	KZN235	Okhahlamba	162 727	161 337	173 172
B	KZN237	iNkosi Langalibalele	240 742	239 184	256 140
B	KZN238	Alfred Duma	326 208	327 123	346 766
C	DC23	uThukela District Municipality	686 038	723 013	741 003
Total: uThukela Municipalities			**1 415 715**	**1 450 657**	**1 517 081**
B	KZN241	eNdumeni	73 722	75 094	78 326
B	KZN242	Nquthu	182 897	180 872	194 663
B	KZN244	uMsinga	226 596	224 818	241 114
B	KZN245	uMvoti	185 191	185 178	196 960
C	DC24	uMzinyathi District Municipality	580 091	611 258	626 652
Total: uMzinyathi Municipalities			**1 248 497**	**1 277 220**	**1 337 715**
B	KZN252	Newcastle	582 810	604 108	624 924
B	KZN253	eMadlangeni	39 220	39 014	41 759
B	KZN254	Dannhauser	116 776	115 446	124 309
C	DC25	Amajuba District Municipality	240 133	249 768	258 234
Total: Amajuba Municipalities			**978 939**	**1 008 336**	**1 049 226**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
B	KZN261	eDumbe	101 507	100 634	108 041
B	KZN262	uPhongolo	188 714	187 697	200 777
B	KZN263	AbaQulusi	215 845	216 311	229 468
B	KZN265	Nongoma	203 083	200 226	216 185
B	KZN266	Ulundi	208 936	205 725	222 431
C	DC26	Zululand District Municipality	749 176	789 763	809 375
Total: Zululand Municipalities			**1 667 261**	**1 700 356**	**1 786 277**
B	KZN271	uMhlabuyalingana	236 972	235 258	252 138
B	KZN272	Jozini	252 286	249 894	268 468
B	KZN275	Inkosi uMtubatuba	238 060	235 702	253 339
B	KZN276	Big Five Hlabisa	150 676	149 219	160 364
C	DC27	uMkhanyakude District Municipality	692 822	730 222	748 558
Total: uMkhanyakude Municipalities			**1 570 816**	**1 600 295**	**1 682 867**
B	KZN281	uMfolozi	180 242	178 189	191 843
B	KZN282	uMhlathuze	610 321	636 553	654 560
B	KZN284	uMlalazi	246 839	244 484	262 681
B	KZN285	Mthonjaneni	99 291	97 921	105 723
B	KZN286	Nkandla	121 850	120 305	129 719
C	DC28	King Cetshwayo District Municipality	797 598	837 764	859 228
Total: King Cetshwayo Municipalities			**2 056 141**	**2 115 216**	**2 203 754**
B	KZN291	Mandeni	240 637	239 920	255 964
B	KZN292	KwaDukuza	297 020	305 644	315 241
B	KZN293	Ndwedwe	198 488	196 613	211 234
B	KZN294	Maphumulo	116 782	115 735	124 297
C	DC29	iLembe District Municipality	883 493	932 330	954 417
Total: iLembe Municipalities			**1 736 420**	**1 790 242**	**1 861 153**
B	KZN433	Greater Kokstad	88 189	89 301	93 735
B	KZN434	Johannes Phumani Phungula	142 800	141 544	151 974
B	KZN435	uMzimkhulu	253 469	251 633	269 690
B	KZN436	Dr Nkosazana Dlamini Zuma	166 587	165 256	177 275
C	DC43	Harry Gwala District Municipality	548 684	577 955	592 713
Total: Harry Gwala Municipalities			**1 199 729**	**1 225 689**	**1 285 387**
Total: KwaZulu-Natal Municipalities			**21 195 588**	**21 941 760**	**22 722 117**

SCHEDULE 3

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

Number		Municipality	National Financial Year		
			Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
LIMPOPO					
B	LIM331	Greater Giyani	387 823	384 972	412 613
B	LIM332	Greater Letaba	377 862	375 393	401 997
B	LIM333	Greater Tzaneen	549 512	549 696	584 233
B	LIM334	Ba-Phalaborwa	214 272	213 767	227 918
B	LIM335	Maruleng	170 372	169 306	181 277
C	DC33	Mopani District Municipality	1 508 655	1 593 121	1 630 297
Total: Mopani Municipalities			**3 208 496**	**3 286 255**	**3 438 335**
B	LIM341	Musina	232 308	234 015	246 938
B	LIM343	Thulamela	616 264	614 891	655 415
B	LIM344	Makhado	507 068	506 862	539 128
B	LIM345	Collins Chabane	504 619	502 148	536 776
C	DC34	Vhembe District Municipality	1 657 833	1 751 354	1 792 116
Total: Vhembe Municipalities			**3 518 092**	**3 609 270**	**3 770 373**
B	LIM351	Blouberg	240 123	238 140	255 508
B	LIM353	Molemole	183 043	181 583	194 779
B	LIM354	Polokwane	1 541 239	1 606 170	1 652 917
B	LIM355	Lepele-Nkumpi	326 389	322 989	347 330
C	DC35	Capricorn District Municipality	896 736	939 981	966 276
Total: Capricorn Municipalities			**3 187 530**	**3 288 863**	**3 416 810**
B	LIM361	Thabazimbi	164 793	173 888	176 778
B	LIM362	Lephalale	264 473	275 574	283 624
B	LIM366	Bela-Bela	149 236	154 800	159 983
B	LIM367	Mogalakwena	637 638	653 125	683 438
B	LIM368	Modimolle-Mookgophong	167 982	174 579	180 126
C	DC36	Waterberg District Municipality	160 896	164 591	172 228
Total: Waterberg Municipalities			**1 545 018**	**1 596 557**	**1 656 177**
B	LIM471	Ephraim Mogale	197 603	196 293	210 249
B	LIM472	Elias Motsoaledi	367 541	364 204	391 081
B	LIM473	Makhuduthamaga	353 718	350 643	376 368
B	LIM476	Fetakgomo Tubatse	602 957	598 348	641 359
C	DC47	Sekhukhune District Municipality	1 277 711	1 348 559	1 380 713
Total: Sekhukhune Municipalities			**2 799 530**	**2 858 047**	**2 999 770**
Total: Limpopo Municipalities			**14 258 666**	**14 638 992**	**15 281 465**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
MPUMALANGA					
B	MP301	Chief Albert Luthuli	462 146	472 704	495 241
B	MP302	Msukaligwa	299 205	313 048	320 922
B	MP303	Mkhondo	375 180	386 528	402 141
B	MP304	Dr Pixley ka Isaka Seme	176 260	180 997	188 881
B	MP305	Lekwa	198 477	207 650	212 880
B	MP306	Dipaleseng	112 377	115 624	120 421
B	MP307	Govan Mbeki	523 359	553 795	561 573
C	DC30	Gert Sibande District Municipality	358 221	371 605	384 005
Total: Gert Sibande Municipalities			**2 505 225**	**2 601 951**	**2 686 064**
B	MP311	Victor Khanye	163 014	169 477	174 773
B	MP312	Emalahleni	685 541	725 408	735 597
B	MP313	Steve Tshwete	400 090	423 356	429 303
B	MP314	Emakhazeni	99 877	103 369	107 050
B	MP315	Thembisile Hani	621 226	637 043	665 873
B	MP316	Dr JS Moroka	535 672	545 103	573 940
C	DC31	Nkangala District Municipality	438 130	453 990	469 607
Total: Nkangala Municipalities			**2 943 550**	**3 057 746**	**3 156 143**
B	MP321	Thaba Chweu	243 768	254 346	261 396
B	MP324	Nkomazi	882 182	905 900	945 629
B	MP325	Bushbuckridge	1 171 265	1 199 901	1 255 413
B	MP326	City of Mbombela	1 233 444	1 287 910	1 322 907
C	DC32	Ehlanzeni District Municipality	314 251	321 018	336 387
Total: Ehlanzeni Municipalities			**3 844 910**	**3 969 075**	**4 121 732**
Total: Mpumalanga Municipalities			**9 293 685**	**9 628 772**	**9 963 939**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
NORTHERN CAPE					
B	NC061	Richtersveld	28 090	28 849	30 079
B	NC062	Nama Khoi	73 887	77 000	79 208
B	NC064	Kamiesberg	34 537	34 944	36 955
B	NC065	Hantam	39 121	40 665	41 925
B	NC066	Karoo Hoogland	36 713	37 754	39 321
B	NC067	Khâi-Ma	30 380	31 111	32 528
C	DC6	Namakwa District Municipality	61 911	63 678	66 315
Total: Namakwa Municipalities			**304 639**	**314 001**	**326 331**
B	NC071	Ubuntu	54 469	55 624	58 328
B	NC072	Umsobomvu	77 410	79 406	82 929
B	NC073	Emthanjeni	68 137	70 555	73 024
B	NC074	Kareeberg	38 491	39 051	41 195
B	NC075	Renosterberg	36 985	37 595	39 583
B	NC076	Thembelihle	39 399	40 145	42 179
B	NC077	Siyathemba	50 738	52 079	54 346
B	NC078	Siyancuma	69 816	71 751	74 798
C	DC7	Pixley Ka Seme District Municipality	64 541	65 355	69 055
Total: Pixley Ka Seme Municipalities			**499 986**	**511 561**	**535 437**
B	NC082	!Kai !Garib	140 648	147 105	150 821
B	NC084	!Kheis	37 953	38 598	40 624
B	NC085	Tsantsabane	64 383	67 069	69 020
B	NC086	Kgatelopele	37 938	39 277	40 650
B	NC087	Dawid Kruiper	139 269	146 243	149 352
C	DC8	Z.F. Mgcawu District Municipality	86 610	88 654	92 734
Total: Z.F. Mgcawu Municipalities			**506 801**	**526 946**	**543 201**
B	NC091	Sol Plaatjie	319 064	336 425	342 319
B	NC092	Dikgatlong	128 662	131 651	137 842
B	NC093	Magareng	66 815	67 920	71 538
B	NC094	Phokwane	148 756	152 298	159 383
C	DC9	Frances Baard District Municipality	148 071	153 119	158 701
Total: Frances Baard Municipalities			**811 368**	**841 413**	**869 783**
B	NC451	Joe Morolong	195 164	198 250	210 571
B	NC452	Ga-Segonyana	255 910	262 007	274 227
B	NC453	Gamagara	75 260	79 550	80 733
C	DC45	John Taolo Gaetsewe District Municipality	114 817	117 631	121 444
Total: John Taolo Gaetsewe Municipalities			**641 151**	**657 438**	**686 975**
Total: Northern Cape Municipalities			**2 763 945**	**2 851 359**	**2 961 727**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
NORTH WEST					
B	NW371	Moretele	484 660	493 863	519 302
B	NW372	Madibeng	1 232 260	1 284 945	1 321 575
B	NW373	Rustenburg	1 314 907	1 391 373	1 410 916
B	NW374	Kgetlengrivier	149 305	154 840	160 056
B	NW375	Moses Kotane	623 943	637 567	668 618
C	DC37	Bojanala Platinum District Municipality	427 573	439 208	457 772
Total: Bojanala Platinum Municipalities			**4 232 648**	**4 401 796**	**4 538 239**
B	NW381	Ratlou	165 544	164 558	176 141
B	NW382	Tswaing	160 230	160 640	170 393
B	NW383	Mafikeng	382 777	384 865	406 836
B	NW384	Ditsobotla	189 842	192 153	201 702
B	NW385	Ramotshere Moiloa	240 282	239 224	255 611
C	DC38	Ngaka Modiri Molema District Municipality	1 244 145	1 312 621	1 343 353
Total: Ngaka Modiri Molema Municipalities			**2 382 820**	**2 454 061**	**2 554 036**
B	NW392	Naledi	74 733	75 763	79 431
B	NW393	Mamusa	75 713	75 842	80 538
B	NW394	Greater Taung	249 987	247 600	266 026
B	NW396	Lekwa-Teemane	69 755	70 271	74 173
B	NW397	Kagisano-Molopo	157 076	155 762	167 159
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	564 612	594 195	609 651
Total: Dr Ruth Segomotsi Mompati Municipalities			**1 191 876**	**1 219 433**	**1 276 978**
B	NW403	City of Matlosana	717 830	754 060	770 051
B	NW404	Maquassi Hills	193 688	199 422	207 583
B	NW405	JB Marks	462 582	486 787	496 264
C	DC40	Dr Kenneth Kaunda District Municipality	231 333	238 735	247 876
Total: Dr Kenneth Kaunda Municipalities			**1 605 433**	**1 679 004**	**1 721 774**
Total: North West Municipalities			**9 412 777**	**9 754 294**	**10 091 027**

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	2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
WESTERN CAPE					
A	CPT	City of Cape Town	4 987 995	5 278 065	5 352 197
B	WC011	Matzikama	92 383	97 422	99 096
B	WC012	Cederberg	79 368	83 100	85 108
B	WC013	Bergrivier	77 595	82 032	83 241
B	WC014	Saldanha Bay	157 439	166 306	168 888
B	WC015	Swartland	175 682	185 898	188 509
C	DC1	West Coast District Municipality	115 135	118 362	123 325
Total: West Coast Municipalities			**697 602**	**733 120**	**748 167**
B	WC022	Witzenberg	166 475	176 156	178 631
B	WC023	Drakenstein	264 583	279 970	283 902
B	WC024	Stellenbosch	246 336	260 662	264 323
B	WC025	Breede Valley	199 253	210 840	213 801
B	WC026	Langeberg	128 629	135 617	137 972
C	DC2	Cape Winelands District Municipality	283 998	295 155	304 495
Total: Cape Winelands Municipalities			**1 289 274**	**1 358 400**	**1 383 124**
B	WC031	Theewaterskloof	157 971	166 048	169 463
B	WC032	Overstrand	188 321	197 595	201 973
B	WC033	Cape Agulhas	48 191	50 611	51 676
B	WC034	Swellendam	52 038	54 694	55 805
C	DC3	Overberg District Municipality	89 652	91 575	95 991
Total: Overberg Municipalities			**536 173**	**560 523**	**574 908**
B	WC041	Kannaland	40 072	41 370	42 931
B	WC042	Hessequa	71 102	74 840	76 253
B	WC043	Mossel Bay	156 156	163 995	167 474
B	WC044	George	263 324	278 637	282 551
B	WC045	Oudtshoorn	112 882	117 763	121 026
B	WC047	Bitou	166 927	173 234	178 958
B	WC048	Knysna	144 083	150 573	154 502
C	DC4	Garden Route District Municipality	193 449	199 805	207 302
Total: Garden Route Municipalities			**1 147 995**	**1 200 217**	**1 230 997**
B	WC051	Laingsburg	23 664	24 188	25 329
B	WC052	Prince Albert	31 988	32 858	34 256
B	WC053	Beaufort West	95 841	99 310	102 729
C	DC5	Central Karoo District Municipality	38 947	39 201	41 662
Total: Central Karoo Municipalities			**190 440**	**195 557**	**203 976**
Total: Western Cape Municipalities			**8 849 479**	**9 325 882**	**9 493 369**
Unallocated			-	-	-
National Total			**110 090 001**	**114 483 348**	**118 041 399**

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	
					2026/27	Forward Estimates	
						2027/28	2028/29
					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	2 319 271	2 009 997	2 100 246
				Free State	1 045 574	1 048 684	1 095 770
				Gauteng	1 905 012	1 946 885	2 034 300
				KwaZulu-Natal	3 018 637	2 627 755	2 745 741
				Limpopo	1 872 772	1 616 650	1 689 236
				Mpumalanga	1 377 208	1 395 895	1 458 571
				Northern Cape	727 268	716 137	748 292
				North West	1 369 441	1 389 167	1 451 541
				Western Cape	2 622 218	1 391 044	1 453 502
				Unallocated	-	2 448 250	2 328 884
				TOTAL	**16 257 401**	**16 590 464**	**17 106 083**
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	1 402 989	1 362 148	1 406 695
				Free State	1 406 465	1 466 305	1 514 258
				Gauteng	5 811 930	6 032 579	6 229 867
				KwaZulu-Natal	2 376 370	2 468 600	2 549 331
				Limpopo	557 215	572 050	590 757
				Mpumalanga	297 144	300 911	310 753
				Northern Cape	508 918	521 697	538 757
				North West	470 879	428 792	442 814
				Western Cape	3 867 846	4 032 411	4 164 286
				Unallocated	-	224 767	232 117
				TOTAL	**16 699 756**	**17 410 260**	**17 979 635**
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	2 590 158	1 623 839	1 674 307
				Free State	1 817 921	1 519 331	1 566 551
				Gauteng	1 453 582	772 429	796 435
				KwaZulu-Natal	3 090 104	2 533 638	2 612 381
				Limpopo	2 699 755	1 362 853	1 405 210
				Mpumalanga	1 563 718	1 028 963	1 060 942
				Northern Cape	1 501 440	1 209 625	1 247 219
				North West	1 415 888	1 087 019	1 120 802
				Western Cape	1 790 502	1 090 746	1 124 646
				Unallocated	-	5 615 998	5 790 538
				TOTAL	**17 923 068**	**17 844 441**	**18 399 031**
	(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	363 682	378 195	389 949
				Free State	369 201	383 934	395 867
				Gauteng	3 226 718	3 355 487	3 459 771
				KwaZulu-Natal	1 547 216	1 608 961	1 658 966
				Limpopo	499 080	518 997	535 127
				Mpumalanga	840 343	873 879	901 038
				Northern Cape	75 136	78 133	80 562
				North West	154 447	160 611	165 603
				Western Cape	1 332 746	1 385 932	1 429 006
				TOTAL	**8 408 569**	**8 744 129**	**9 015 889**

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	
				2026/27	Forward Estimates	
					2027/28	2028/29
				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	197 397	175 227	144 509
			City of Cape Town	384 137	340 994	281 215
			City of Ekurhuleni	510 118	452 824	373 442
			City of Johannesburg	1 633 208	695 387	350 814
			City of Tshwane	415 394	368 740	304 098
			eThekwini	508 858	451 707	372 520
			Mangaung	195 644	173 671	143 225
			Nelson Mandela Bay	234 309	207 993	171 530
			TOTAL	**4 079 065**	**2 866 543**	**2 141 352**
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	588 569	664 883	862 541
			City of Cape Town	1 362 645	1 483 164	1 919 109
			City of Ekurhuleni	1 203 176	1 379 979	1 769 775
			City of Johannesburg	2 179 535	2 315 078	2 829 491
			City of Tshwane	1 131 812	1 247 519	1 575 491
			eThekwini	1 367 522	1 518 954	1 920 555
			Mangaung	540 352	610 047	797 588
			Nelson Mandela Bay	650 747	758 123	971 149
			TOTAL	**9 024 358**	**9 977 747**	**12 645 699**

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2026/27	Forward Estimates	
						2027/28	2028/29
					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 assist vulnerable South African farming communities to achieve an increase in agricultural production; to invest in infrastructure that unlocks agricultural production within strategically identified production areas; to revitalise agricultural colleges into centres of excellence.	Conditional allocation	Eastern Cape	315 233	353 178	364 985
				Free State	271 171	296 785	306 302
				Gauteng	167 209	178 206	183 905
				KwaZulu-Natal	293 927	328 829	339 893
				Limpopo	314 179	352 233	364 635
				Mpumalanga	273 259	285 257	293 870
				Northern Cape	226 850	240 446	247 580
				North West	249 706	278 608	288 443
				Western Cape	186 861	203 918	207 376
				TOTAL	**2 298 395**	**2 517 460**	**2 596 989**
	(b) 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	14 718	15 385	16 822
				Free State	10 071	10 396	10 604
				Gauteng	5 894	6 030	6 145
				KwaZulu-Natal	15 436	16 134	16 457
				Limpopo	14 942	15 617	15 929
				Mpumalanga	10 688	11 041	11 262
				Northern Cape	8 841	9 110	9 292
				North West	10 324	10 791	11 007
				Western Cape	7 152	7 475	7 630
				TOTAL	**98 066**	**101 979**	**105 148**

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2026/27	Forward Estimates	
						2027/28	2028/29
					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	684 319	1 006 676	1 015 881
				Free State	333 792	522 150	561 822
				Gauteng	855 420	1 263 485	1 282 262
				KwaZulu-Natal	769 769	1 161 194	1 206 687
				Limpopo	743 503	1 125 849	1 170 418
				Mpumalanga	368 570	553 011	571 884
				Northern Cape	106 411	159 911	169 789
				North West	306 527	435 186	424 127
				Western Cape	442 363	675 424	714 551
				TOTAL	**4 610 674**	**6 902 886**	**7 117 421**
	(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	50 050	52 085	53 658
				Free State	12 107	12 519	12 980
				Gauteng	40 259	41 896	43 162
				KwaZulu-Natal	72 042	74 977	77 236
				Limpopo	30 688	31 938	32 902
				Mpumalanga	20 648	21 389	22 137
				Northern Cape	8 084	8 380	8 729
				North West	17 660	18 379	18 906
				Western Cape	20 681	21 522	22 173
				TOTAL	**272 219**	**283 085**	**291 883**
	(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	34 100	35 649	37 389
				Free State	35 662	36 874	38 607
				Gauteng	41 562	43 461	45 497
				KwaZulu-Natal	40 291	42 352	44 327
				Limpopo	39 744	42 143	44 116
				Mpumalanga	36 164	37 487	39 243
				Northern Cape	18 497	19 683	20 607
				North West	23 977	25 717	26 927
				Western Cape	37 315	38 823	40 545
				TOTAL	**307 312**	**322 189**	**337 258**
	(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	59 798	61 932	63 762
				Free State	53 532	55 383	57 214
				Gauteng	67 445	69 925	71 752
				KwaZulu-Natal	77 854	80 803	82 471
				Limpopo	53 753	56 910	58 538
				Mpumalanga	48 512	50 136	51 762
				Northern Cape	30 799	31 623	33 395
				North West	44 833	47 585	49 213
				Western Cape	41 146	42 438	44 066
				TOTAL	**477 672**	**496 735**	**512 173**
	(e) National School Nutrition Programme Grant	To provide nutritious meals to targeted schools.	Conditional allocation	Eastern Cape	1 932 303	1 980 957	2 068 356
				Free State	615 292	631 598	659 862
				Gauteng	1 254 139	1 289 445	1 352 058
				KwaZulu-Natal	2 429 551	2 494 913	2 604 928
				Limpopo	1 918 256	1 967 470	2 053 292
				Mpumalanga	1 039 286	1 069 607	1 116 408
				Northern Cape	287 067	295 548	310 216
				North West	746 983	769 074	804 337
				Western Cape	570 674	586 145	614 637
				Unallocated	-	199 399	208 173
				TOTAL	**10 793 551**	**11 284 156**	**11 792 267**

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2026/27	Forward Estimates	
						2027/28	2028/29
					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.	Conditional allocation	Eastern Cape	3 243 220	3 379 704	3 489 272
				Free State	1 771 382	1 845 856	1 905 648
				Gauteng	6 358 455	6 625 748	6 840 368
				KwaZulu-Natal	7 785 465	8 112 811	8 375 628
				Limpopo	2 650 569	2 761 302	2 850 302
				Mpumalanga	2 723 670	2 837 878	2 929 616
				Northern Cape	792 268	825 468	852 137
				North West	1 972 463	2 055 075	2 121 445
				Western Cape	2 251 705	2 346 285	2 422 236
				TOTAL	**29 549 197**	**30 790 127**	**31 786 652**
	(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	818 917	757 581	780 241
				Free State	624 036	649 406	668 830
				Gauteng	1 203 468	1 157 738	1 192 367
				KwaZulu-Natal	1 590 814	1 560 836	1 607 517
				Limpopo	659 102	591 269	608 954
				Mpumalanga	504 907	430 805	454 407
				Northern Cape	469 950	489 055	503 684
				North West	727 001	661 927	681 727
				Western Cape	1 118 925	1 219 452	1 213 224
				Unallocated	-	658 665	678 366
				TOTAL	**7 717 120**	**8 176 734**	**8 389 317**
	(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	623 758	641 183	663 054
				Free State	304 655	318 318	329 175
				Gauteng	2 006 712	2 096 702	2 168 228
				KwaZulu-Natal	824 774	861 763	891 158
				Limpopo	395 971	407 835	421 745
				Mpumalanga	299 521	307 989	318 494
				Northern Cape	163 702	166 699	172 385
				North West	294 646	302 274	312 584
				Western Cape	995 246	1 039 877	1 075 352
				Unallocated	-	31 337	32 406
				TOTAL	**5 908 985**	**6 173 977**	**6 384 581**
	(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	65 703	68 611	70 926
				Free State	30 293	31 632	32 699
				Gauteng	99 248	103 634	107 128
				KwaZulu-Natal	91 739	95 793	99 024
				Limpopo	54 785	57 210	59 139
				Mpumalanga	35 918	37 505	38 770
				Northern Cape	24 987	26 092	26 970
				North West	34 086	35 592	36 793
				Western Cape	38 724	40 435	41 799
				TOTAL	**475 483**	**496 504**	**513 248**

SCHEDULE 5, PART A

SPECIFIC PURPOSE ALLOCATIONS TO PROVINCES

Vote	Name of allocation	Purpose	Type of allocation	Province	Column A	Column B	
					2026/27	Forward Estimates	
						2027/28	2028/29
					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	1 473 922	1 537 177	1 588 518
				Free State	777 134	810 486	837 556
				Gauteng	3 780 605	3 942 857	4 074 543
				KwaZulu-Natal	2 434 929	2 539 428	2 624 243
				Limpopo	866 898	904 102	934 299
				Mpumalanga	883 591	921 511	952 289
				Northern Cape	261 460	272 681	281 789
				North West	1 220 328	1 272 700	1 315 207
				Western Cape	1 559 136	1 626 048	1 680 357
				TOTAL	**13 258 003**	**13 826 990**	**14 288 801**
	(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	214 012	218 116	221 465
				Free State	112 839	115 003	116 769
				Gauteng	548 942	559 467	568 058
				KwaZulu-Natal	353 550	360 330	365 863
				Limpopo	125 873	128 287	130 257
				Mpumalanga	128 297	130 757	132 765
				Northern Cape	37 964	38 692	39 286
				North West	177 191	180 589	183 361
				Western Cape	226 385	230 727	234 269
				TOTAL	**1 925 053**	**1 961 968**	**1 992 093**
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.	Conditional allocation	Eastern Cape	126 939	-	-
				Free State	46 838	-	-
				Gauteng	80 569	-	-
				KwaZulu-Natal	150 354	-	-
				Limpopo	68 991	-	-
				Mpumalanga	41 548	-	-
				Northern Cape	34 543	-	-
				North West	55 446	-	-
				Western Cape	43 488	-	-
				Unallocated	-	681 152	703 119
				TOTAL	**648 716**	**681 152**	**703 119**
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	196 125	203 274	211 885
				Free State	195 296	204 274	212 887
				Gauteng	193 370	200 388	208 996
				KwaZulu-Natal	205 902	215 375	223 997
				Limpopo	169 153	175 036	183 618
				Mpumalanga	185 722	194 250	202 851
				Northern Cape	194 936	203 897	202 465
				North West	166 431	174 054	182 637
				Western Cape	211 662	219 537	218 248
				TOTAL	**1 718 597**	**1 790 085**	**1 847 584**
	(b) Mass Participation and Sport	To facilitate sport and active recreation participation and empowerment in partnership with relevant stakeholders.	Conditional allocation	Eastern Cape	80 690	84 826	87 568
				Free State	42 344	47 426	48 587
				Gauteng	139 835	123 717	128 188
				KwaZulu-Natal	104 409	117 730	121 990
				Limpopo	74 936	78 344	80 811
				Mpumalanga	54 737	61 389	63 140
				Northern Cape	34 951	38 464	39 033
				North West	54 626	55 405	56 903
				Western Cape	66 090	71 362	73 535
				TOTAL	**652 618**	**678 663**	**699 755**

SCHEDULE 5, PART B

SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
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.	179 755	186 929	192 738
	(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.	613 517	638 001	657 829
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.	585 594	613 761	632 836
		TOTAL	**1 378 866**	**1 438 691**	**1 483 403**

SCHEDULE 5, PART B

SPECIFIC-PURPOSE ALLOCATIONS TO MUNICIPALITIES

Vote	Name of allocation	Purpose	Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
INFRASTRUCTURE GRANTS					
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.	1 379 189	1 434 303	1 478 880
	(b) 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.	17 504 197	20 029 611	20 652 115
Electricity and Energy (Vote 10)	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; to provide subsidies to municipalities to accelerate the implementation of energy efficiency and demand side management initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.	1 902 274	1 978 188	2 039 668
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.	4 417 316	5 103 998	5 262 626
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.	427 956	262 666	66 398
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.	5 711 440	4 509 802	3 746 801
	(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.	131 145	136 379	140 617
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.	3 901 746	3 864 717	3 649 002
	(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.	4 389 052	4 564 206	4 706 058
		TOTAL	**39 764 315**	**41 883 870**	**41 742 165**

SCHEDULE 6, PART A

ALLOCATIONS-IN-KIND TO PROVINCES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
			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.	447 677	-	-
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.	2 560 319	2 597 344	2 678 065
		TOTAL	**3 007 996**	**2 597 344**	**2 678 065**

SCHEDULE 6, PART B

ALLOCATIONS-IN-KIND TO MUNICIPALITIES FOR DESIGNATED SPECIAL PROGRAMMES

Vote	Name of allocation	Purpose	Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
			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.	535 566	-	-
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.	1 592 711	2 472 493	2 549 336
National Treasury (Vote 8)	Smart Meters Grant	To enable municipalities to implement bi-directional smart metering systems and smart solutions.	795 869	827 630	853 352
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.	3 214 822	3 343 116	3 447 017
	(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.	1 334 331	1 387 579	1 430 704
		TOTAL	**7 473 299**	**8 030 818**	**8 280 409**

SCHEDULE 7, PART A

UNALLOCATED PROVISIONS FOR PROVINCES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
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.	157 372	163 652	168 738
		TOTAL	**157 372**	**163 652**	**168 738**

SCHEDULE 7, PART B

UNALLOCATED PROVISIONS FOR MUNICIPALITIES FOR DISASTER RESPONSE

Vote	Name of allocation	Purpose	Column A	Column B	
			2026/27	Forward Estimates	
				2027/28	2028/29
			R'000	R'000	R'000
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.	411 020	427 422	440 706
		TOTAL	**411 020**	**427 422**	**440 706**

MEMORANDUM ON THE OBJECTS OF THE DIVISION OF REVENUE BILL, 2026

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 that were submitted to the Minister of Finance or were raised during consultations with the Financial and Fiscal Commission; 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 considering, 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; and
- *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 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 2026/27 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 2026/27 financial year;
- *Clause 15* requires the publication of certain allocations and all conditional grant frameworks in the *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 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 2026/27 financial year and the use of funds allocated in Schedule 7;
- *Clause 26* provides for preparations for the 2027/28 and 2028/29 financial years;
- *Clause 27* deals with transfers before the commencement of the Division of Revenue Act for the 2027/28 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 transitional measures for the municipal election in 2026;
- *Clause 38* provides for the repeal of laws and savings; and
- *Clause 39* provides for the short title and commencement.

3. ORGANISATIONS AND INSTITUTIONS CONSULTED

The following institutions were consulted on the Bill:
(a) Financial and Fiscal Commission;
(b) South African Local Government Association; and
(c) 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 the 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

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ANNEXURE W1

EXPLANATORY MEMORANDUM TO THE DIVISION OF REVENUE

BACKGROUND

Section 214(1) of the Constitution requires that 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 2026 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(2)(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. 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 2026 division of revenue.
- Part 3 sets out how the FFC's recommendations on the 2026 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 2025 and 2026. 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 10 February 2026.

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 subsections 2(a) to (j) are considered. The 10 constitutional principles considered in the 2026 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 through which South Africa can advance inclusive economic transformation. 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 2025 *Medium Term Budget Policy Statement* (MTBPS), the Minister of Finance outlined how the resources available to government over the 2026 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 public debt in 2025/26 and steadily increasing the main budget primary surplus over the MTEF period.
- Promoting economic growth and higher levels of investment by shifting the composition of spending towards capital investment and growth-enhancing infrastructure, and by advancing structural reforms in energy, transport and logistics, and water.
- Supporting and protecting critical social services, particularly the social wage (education, health, community development, social protection and jobs programmes), in a context of constrained budget resources and lower inflation.
- Improving the efficiency and effectiveness of public spending, including through the Targeted and Responsible Savings (TARS) initiative, the removal of ghost workers and better value-for-money in the public-service wage bill and other current spending.

These focus areas have informed the division of resources between the three spheres of government over the 2026 MTEF period. Chapter 4 of the 2025 MTBPS and chapters 5 and 6 of the *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 the 21 outcomes of government.

Provision for debt costs

Determined action to stabilise the public finances has brought the country to a turning point. For the first time since the mid-2000s, government is recording a sustained and rising primary surplus—meaning revenue exceeds non-interest expenditure—supporting efforts to stabilise debt. National government debt as a percentage of GDP is projected to peak in 2025/26,

before declining for the rest of the decade. The budget deficit, which drives most of the borrowing requirement, is also expected to narrow over the next three years. This will strengthen government's capacity to manage substantial debt redemptions, averaging R283.8 billion from 2026/27 to 2033/34. Chapter 7 of the 2026 *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 basic 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 2026 MTEF period, R3.1 trillion or 51.8 per cent of non-interest spending is allocated to provinces and local government. Excluding provisional allocations, R2.5 billion or 42.3 per cent is allocated to provinces, while R566.9 billion or 9.5 per cent is allocated to local government. This is to continue funding local and provincial government priorities. These include health, education and municipal basic services, the costs of which are rising as a result of population growth and higher bulk electricity and water costs.

ANNEXURE W1

EXPLANATORY MEMORANDUM TO THE DIVISION OF REVENUE

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 2026 budget allocations for local government. Looking ahead, this data will play a crucial role in shaping the 2027 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-service 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 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 R214.3 billion over the 2026 MTEF period, and social infrastructure (such as schools, hospitals and clinics), allocating R80.8 billion over the 2026 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 2026 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 2026 MTEF period, R1.8 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 emergencies, and 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.

ANNEXURE W1

PART 2: THE 2026 DIVISION OF REVENUE

In the 2025 Medium Term Budget Policy Statement (MTBPS) and the 2026 Budget Review, the Minister of Finance outlined how the resources available to government over the 2026 medium-term expenditure framework (MTEF) period would be allocated to address government's immediate priorities in the context of stabilising public finances. These focus areas are as follows:

- Achieving fiscal sustainability by stabilising and then reducing debt as a share of GDP. The gross debt-to-GDP ratio peaks in 2025/26, supported by a growing main budget primary surplus, with debt-service costs projected to decline as a share of revenue over time.
- Supporting economic growth by avoiding additional tax increases signalled for 2026/27, thereby allowing households to retain more of their income, and by narrowing the gross borrowing requirement while directing a larger share of spending to capital investment and infrastructure.
- Improving the efficiency and composition of public spending through the Targeted and Responsible Savings (TARS) initiative, which identifies low-priority and underperforming programmes for reduction or closure, and through measures such as the removal of ghost workers and a managed Early Retirement Programme to contain the public-service wage bill.

Ensuring that sustainable public finances underpin the progressive realisation of socio-economic rights by protecting the social wage – including education, health, social protection and basic services – within a constrained fiscal envelope, and by progressing towards a principles-led fiscal anchor and legislation to embed fiscal sustainability and require each new administration to table a medium-term fiscal plan.

The most important public spending programmes that help poor South Africans, contribute to growth and create jobs have been protected from major reductions. The 2026 division of revenue reprioritises existing funds to ensure these objectives are met.

For 2025/26, the main budget deficit is forecast at 4.5 per cent of GDP, slightly lower than the 4.6 per cent projected in the 2025 Budget, largely because in-year revenue collections have been stronger than expected.

Compared with the 2025 MTBPS projections, the 2025/26 main budget deficit and primary surplus show a modest improvement. However, much of the revenue gain is offset by higher non-interest expenditure. Debt-service costs are also revised down by R10.6 billion over the medium term, reflecting improved bond yields, a stronger rand, and lower inflation and interest rates.

Over the MTEF period, the main budget deficit is projected to continue narrowing from 3.7 per cent of GDP in 2026/27 to 2.9 per cent in 2028/29, mainly as expenditure growth moderates relative to GDP.

Government also proposes a contingency reserve of R32.6 billion over the 2026 MTEF to help manage significant unforeseen risks. In recent years, unavoidable spending pressures particularly those linked to natural disasters have become more frequent. Maintaining a relatively large contingency reserve helps to reduce these fiscal risks.

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 R2.67 trillion in 2026/27 to R2.89 trillion in 2028/29. The bulk of this spending will go towards supporting the social wage, which is a crucial aspect of government's commitment to social welfare. The main budget deficit is projected to keep declining over the MTEF period, falling from 3.7 per cent of GDP in 2026/27 to 2.9 per cent in 2028/29, largely because expenditure growth moderates relative to GDP.

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 2026 Budget. It sets out the growth assumptions and fiscal policy targets on which the fiscal framework is based and how these changed between the 2025 and 2026 Budgets.

Table W1.1 Medium-term macroeconomic assumptions

	2025/26		2026/27		2027/28		2028/29
R billion/percentage of GDP	2025 Budget	2026 Budget	2025 Budget	2026 Budget	2025 Budget	2026 Budget	2026 Budget
Gross domestic product	7 872.2	7 756.7	8 351.4	8 188.1	8 890.6	8 615.1	9 077.3
Real GDP growth	*1.5%*	*1.8%*	*1.7%*	*1.5%*	*1.9%*	*1.8%*	*2.0%*
GDP inflation	*4.7%*	*3.0%*	*4.3%*	*4.0%*	*4.5%*	*3.3%*	*3.3%*
National budget framework							
Revenue	**1 949.4**	**1 978.2**	**2 095.4**	**2 082.0**	**2 229.2**	**2 190.8**	**2 320.6**
Percentage of GDP	*24.8%*	*25.5%*	*25.1%*	*25.4%*	*25.1%*	*25.4%*	*25.6%*
Expenditure	**2 310.7**	**2 327.1**	**2 403.0**	**2 383.3**	**2 515.6**	**2 475.4**	**2 581.1**
Percentage of GDP	*29.4%*	*30.0%*	*28.8%*	*29.1%*	*28.3%*	*28.7%*	*28.4%*
Main budget balance[1]	**-361.3**	**-348.9**	**-307.7**	**-301.2**	**-286.4**	**-284.5**	**-260.5**
Percentage of GDP	*-4.6%*	*-4.5%*	*-3.7%*	*-3.7%*	*-3.2%*	*-3.3%*	*-2.9%*

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 2026 MTEF period after accounting for new policy priorities.

Table W1.2 Division of nationally raised revenue

R million	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Outcome			Preliminary outcome	Medium-term estimates		
Division of available funds							
National departments	**855 868**	**826 897**	**860 482**	**939 417**	**951 716**	**939 934**	**987 864**
of which:							
Indirect transfers to provinces	*3 536*	*4 099*	*3 728*	*4 599*	*3 008*	*2 597*	*2 678*
Indirect transfers to local government	*7 182*	*8 174*	*7 088*	*7 612*	*7 473*	*8 031*	*8 280*
Provinces	**694 131**	**706 258**	**730 635**	**788 778**	**810 481**	**845 863**	**872 437**
Equitable share	570 868	585 086	600 476	649 339	670 323	698 626	720 409
Conditional grants	123 263	121 172	130 159	139 439	140 158	147 238	152 028
Local government	**150 699**	**157 650**	**167 685**	**178 336**	**182 278**	**189 307**	**195 291**
Equitable share	83 938	92 262	99 504	103 776	110 090	114 483	118 041
Conditional grants	51 426	49 955	52 055	57 711	54 658	56 594	58 453
General fuel levy sharing with metros	15 335	15 433	16 127	16 849	17 530	18 230	18 796
Provisional allocations not appropriated[1]	–	–	–	–	1 322	38 207	39 199
Non-interest allocations	**1 700 698**	**1 690 805**	**1 758 802**	**1 906 532**	**1 945 796**	**2 013 312**	**2 094 791**
Percentage increase	*5.0%*	*-0.6%*	*4.0%*	*8.4%*	*2.1%*	*3.5%*	*4.0%*
Debt-service costs	308 459	356 110	385 844	420 610	432 449	451 450	469 321
Contingency reserve	–	–	–	–	5 008	10 603	16 957
Main budget expenditure	**2 009 157**	**2 046 915**	**2 144 645**	**2 327 141**	**2 383 253**	**2 475 364**	**2 581 069**
Percentage increase	*6.5%*	*1.9%*	*4.8%*	*8.5%*	*2.4%*	*3.9%*	*4.3%*
Percentage shares							
National departments	*50.3%*	*48.9%*	*48.9%*	*49.3%*	*48.9%*	*47.6%*	*48.1%*
Provinces	*40.8%*	*41.8%*	*41.5%*	*41.4%*	*41.7%*	*42.8%*	*42.4%*
Local government	*8.9%*	*9.3%*	*9.5%*	*9.4%*	*9.4%*	*9.6%*	*9.5%*

1. For early retirement costs in 2026/27 and SRD in the outer two years
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	2026/27	2027/28
National departments	45 499	-144
Provinces	12 054	12 059
Local government	-2 835	-1 496
Allocated expenditure	**54 718**	**10 419**

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

	2026/27	2027/28	2028/29
R million	Allocation	Forward estimates	
National[1]	1 602 840	1 662 255	1 742 619
Provincial	670 323	698 626	720 409
Local	110 090	114 483	118 041
Total	**2 383 253**	**2 475 364**	**2 581 069**

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 2026 *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 of the Budget Review 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 2026/27* to Parliament in 2025. This year's theme is "sustainable development across the three fiscal spheres". The 2026/27 recommendations cover the following areas: infrastructure and public-private partnerships, subnational government capacity, coalition government challenges and urban fiscal pressures.

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 3: Strengthening subnational governments' contribution to infrastructure-led growth in South Africa

The FFC recommends the following: "To strengthen the link between infrastructure performance and funding allocation, the Minister of Finance should introduce a performance-linked feedback mechanism in provincial and municipal incentive grants."

Government response

Government supports this recommendation. There are already several urban grants for municipalities that have performance-based allocation methodologies or have an incentive component built into the allocation criteria, such as the *integrated urban development grant*, the *urban development financing grant* and the *public transport network grant*.

However, as indicated in past conditional grant reviews, due to capacity issues faced by many municipalities, it is not yet feasible to make all municipal grants performance-based as this is likely to deepen existing disparities between well-resourced and struggling municipalities. As the National Treasury works with the relevant transferring officers to design incentives for non-urban grants over the 2026 MTEF period, it will be looking to shift the focus away from purely rewarding spending outcomes, to rewarding municipalities that put in place the right capacity, processes and systems to deliver infrastructure on time and to standard. The reforms emanating from both the recent conditional grants review and the review of capacity-building programmes for local government are designed to build capability where it is weakest, so that all municipalities (not only those already performing well) are able to access investment opportunities and deliver infrastructure that improves the lives of their communities.

A reform in the provincial sphere to introduce incentive-based allocations for infrastructure grants has been the performance-based system targeting the health and education sectors. The assessment process is focused on two areas: performance and planning. The performance area has a 70 per cent weighting, while the planning area accounts for 30 per cent of the total weight that determines the performance incentive.

Through the consultative mechanisms established within the system and guidelines issued to departments, there are signs of gradual improvements in planning. However, there are still challenges in project implementation and reporting and ultimately performance. Taking into consideration the findings from the conditional grants review, the National Treasury is reviewing the current performance-based incentive system to strengthen the allocation criteria for incentives, project implementation, monitoring and reporting. The review is being undertaken together with the provincial treasuries and the national departments of Basic Education and Health and is expected to be completed by June 2026.

Chapter 5: Measuring the fiscal pressures of urbanisation

The FFC recommends the following: "The Commission reiterates its recommendation from the 2018/19 Submission on the Division of Revenue that the Minister of Finance should create an awareness of the land value capture fiscal instruments among large cities and extend the scope of the Financial Management Grant to cater for capacity building in the design and implementation of land value capture mechanisms."

Government response

Since March 2020, the National Treasury, through the Cities Support Programme, has been working with the Development Action Group and the Lincoln Institute of Land Policy on establishing a national land value capture programme. It also seeks to create awareness and deepen understanding of land value capture fiscal instruments, initially with the metropolitan municipalities and later with some secondary cities. Through this programme, a community of practice has been established, supported through a land value capture webinar series, peer-to-peer workshops and national dialogues. Technical support has also been provided to support policy development, implementation and monitoring of land value capture instruments. A key focus has been supporting the municipalities in understanding how to create value using the planning instruments and land governance mechanisms at their disposal. Furthermore, over this period, the National Treasury has championed the implementation and rollout of development charges as a significant land-based financing tool for municipalities, through amending legislation and developing regulations. A development charges guideline document and supporting tools such as the development charges calculator have also been developed and workshopped with relevant provincial departments and municipalities across all provinces.

The FFC recommends the following: "The Minister of Cooperative Governance and Traditional Affairs, in conjunction with the Minister of Finance, should speed up the review of the local government equitable share formula. The new formula must reflect growth in urban populations, as well as the rising cost of service delivery and the unique challenges faced by urban municipalities."

Government response

The local government equitable share formula is being reviewed as part of the review of the local government fiscal framework, which is envisaged to be completed by March 2027. The review process includes ongoing engagements with Statistics South Africa on the outstanding

municipal-level data, which is critical to updating the formula. The intention is to update household data and to refine the cost assumptions underpinning the basic services and community services components.

Not all urban pressures can or should be absorbed through the equitable share alone; some are more appropriately addressed through targeted support instruments – for example, the metro trading services reforms being implemented through the *urban development financing grant*. Any revisions to the local government equitable share will therefore be carefully modelled, consulted on and phased in over time to maintain fiscal sustainability and system stability, while ensuring the formula remains responsive to demographic and cost trends observed from credible data.

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 42.3 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 2026 MTEF period announced in the 2025 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 R788.8 billion in 2025/26 to R810.5 billion in 2026/27. Over the MTEF period, provincial transfers will grow at an average annual rate of 3.4 per cent to R872.4 billion in 2028/29. Table W1.5 sets out the transfers to provinces for 2026/27. A total of R670.3 billion is allocated to the provincial equitable share and R140.2 billion to conditional grants, which includes an unallocated amount of R157 million for the *provincial disaster response grant*.

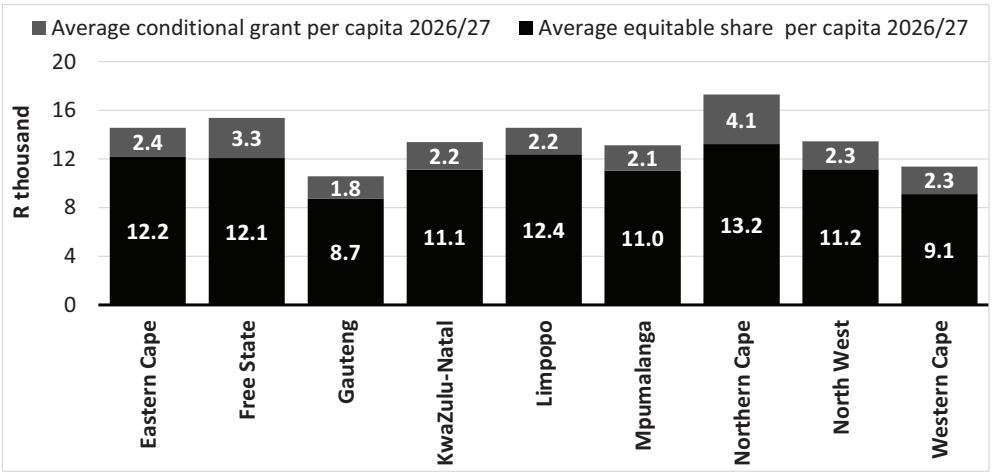
Table W1.5 Total transfers to provinces, 2026/27

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	86 599	16 610	103 208
Free State	36 761	9 876	46 637
Gauteng	140 952	29 240	170 192
KwaZulu-Natal	136 378	27 273	163 651
Limpopo	78 951	13 810	92 761
Mpumalanga	56 019	10 733	66 753
Northern Cape	18 242	5 514	23 756
North West	46 867	9 513	56 380
Western Cape	69 553	17 431	86 984
Unallocated		157	157
Total	**670 323**	**140 158**	**810 481**

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, 2026/27



Source: National Treasury

Changes to provincial allocations

For the 2026 MTEF period, changes to provincial allocations include downward revisions to provincial transfers, 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.

For the 2026 MTEF, Cabinet endorsed lower consumer price index (CPI) levels, as reflected in the fiscal framework for the 2025 MTBPS. Planned spending levels across all three spheres of government have thus been revised downward to reflect these lower CPI projections. The revised CPI projections indicate a decline in cost escalations, including construction costs, over the MTEF period. Accordingly, the total provincial equitable share baseline has been adjusted downward by R1.0 billion in 2026/27, R2.2 billion in 2027/28 and R2.2 billion in 2028/29, relative to the indicative allocations. Similarly, conditional grants have been revised downward by R568 million in 2026/27, R1.2 billion in 2027/28 and R3.1 billion in 2028/29.

An amount of R31.3 billion has been added to the provincial equitable share for the education and health sectors. Of this amount, R3.2 billion in 2026/27, R3.3 billion in 2027/28 and R3.4 billion in 2028/29 are added for the education sector to support provinces with compensation of employee costs and other pressures the sector is facing. The remaining R6.9 billion in 2026/27, R7.1 billion in 2027/28 and R7.3 billion in 2028/29 are for the health sector to fund compensation of employee costs, shortfalls in goods and services expenditure, and the employment of doctors. An amount of R342 million has been added to the provincial equitable share over the MTEF to cover the progressive equalisation of the remuneration of Grade R teachers in provinces. In order to support provinces with the implementation of the

Early Retirement Programme, R340 million has also been added in 2026/27, to the provincial equitable share. The purpose of the funding is to cover financial incentive costs in provinces. R319 million will be added to the provincial equitable share in 2026/27 for the continuation of the education assistants programme, which was introduced in 2020 as part of the Presidential Employment Stimulus.

R12.8 billion has been added over the 2026 MTEF to the e*arly childhood development grant* for the continued expansion of early childhood development services. Of this, R175 million over the MTEF has been added for the implementation of e-cares. The purpose of the funds is to pay the salaries to the employees who will be responsible for collecting and managing data for the system, their operational expenses and tools of trade. R1.5 billion has been added to the *provincial roads maintenance grant* in 2026/27 to fund the carry through costs of the disasters that occurred between April 2024 and June 2025. This funding will be used for the reconstruction and rehabilitation of provincial infrastructure damaged by rainfall, flooding, thunderstorms, and strong winds. Additions to the provincial allocations have also been made through the Budget Facility for Infrastructure. An amount of R218 million is added in the *health facility revitalisation grant* for the Tygerberg and Klipfontein Regional hospitals.

Other changes to provincial allocations include reprioritisation of funds from and within conditional grants. The 2026 Budget makes funding available for the Presidential Employment Stimulus introduced in 2020. Given the constrained fiscal environment, funding has had to be reprioritised from various parts of government to continue with the implementation of the Presidential Employment Stimulus. For the provincial conditional grants, R503 million is reprioritised from the *education infrastructure grant* and R747 million from the *provincial roads maintenance grant* for this purpose. An amount of R109 million will be reprioritised from the *comprehensive agricultural support grant* to the Department of Agriculture. This funding will be used to develop an e-certification system; implement animal identification, recording and traceability systems; and continue to implement blended financing.

R800 million in 2026/27 has been reprioritised from the *early childhood development grant* to make funding available to protect the *national school nutrition programme* and *learners with severe to profound intellectual disabilities grant* from inflationary adjustments and to progressively fund the equalisation of remuneration for Grade R educators in the education sector. Of the R800 million, the *national school nutrition programme* is allocated R446 million, R13 million is added to the *learners with profound to severe intellectual disabilities*, and R342 million is allocated for the equalisation of remuneration for Grade R educators. The allocation for the equalisation of remuneration for Grade R educators will be added through the provincial equitable share. An amount of R3 billion is reprioritised from the *human settlements development grant* to the *informal settlements partnership upgrading grant* to address previous reductions that significantly lowered the baseline of the *informal settlements partnership upgrading grant*, while ensuring that the grant has sufficient funds to deliver its activities. In addition, for the 2026 MTEF, a total of R1 million in 2026/27 and R1 million in 2027/28 has been reduced from the *human settlements development grant* and the *informal settlements partnership upgrading grant* and added to the provincial equitable share. This is to correct for funding that was erroneously allocated as a top up for

compensation of employees in the human settlements grants, specifically for the KwaZulu-Natal province. In 2026/27, R5 million will be reprioritised from the *expanded public works programme integrated grant for provinces* to make funding available for existing pressures in the national Department of Public Works and Infrastructure.

Several changes will also be made to the provincial conditional grants based on the recommendations of the review of the conditional grant system. These continue to be implemented in a phased manner over the 2026 MTEF.

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

R million	2026/27	2027/28	2028/29	MTEF total revision
Technical adjustments	**-1 398**	**-515**	**-309**	**-2 223**
Direct transfers	**-1 398**	**-515**	**-309**	**-2 223**
Provincial equitable share	54	108	182	344
Ilima/Letsema projects	-708	-740	-774	-2 223
Early childhood development grant	-800	–	–	-800
Learners with profound intellectual disabilities	2	3	8	13
National school nutrition programme	56	115	275	446
Human settlements development	-1 001	-1 001	-1 000	-3 002
Informal settlements upgrading partnership	1 000	1 000	1 000	3 000
Additions to baselines	**15 719**	**15 165**	**15 593**	**46 477**
Direct transfers	**15 719**	**15 165**	**15 593**	**46 477**
Provincial equitable share	10 744	10 435	10 760	31 939
Early childhood development	3 286	4 688	4 834	12 808
Health facility revitalisation	177	41	–	218
Provincial roads maintenance	1 512	–	–	1 512
Reductions to baselines	**-17 460**	**-27 825**	**-66 823**	**-112 108**
Direct transfers	**-1 931**	**-1 170**	**-3 094**	**-6 195**
Comprehensive agricultural support programme	-119	-22	-56	-197
Land care programme: poverty relief and infrastructure development	-1	-1	-3	-4
Early childhood development	-11	-23	-54	-88
Education infrastructure	-590	-171	-408	-1 169
HIV and AIDS (life skills education)	-1	-3	-7	-11
Learners with profound intellectual disabilities	-1	-1	-5	-7
Maths, science and technology	-2	-5	-12	-20
National school nutrition programme	-53	-110	-268	-431
Provincial disaster response	-1	-2	-4	-7
District health programme grant	-93	-193	-587	-391
Health facility revitalisation	-37	-80	-195	-313
Human resources and training grant	-2	-5	-71	-78
National health insurance grant	-0.5	-1	-7	-8
National tertiary services	-44	-91	-307	-592
Human settlements development	-74	-153	-365	-592
Informal settlements upgrading partnership	-5	-10	-24	-38
Expanded public works programme integrated grant for provinces	-7	-5	-13	-25
Community library services	-6	-13	-36	-55
Mass participation and sport development	-3	-7	-17	-27
Provincial roads maintenance	-836	-184	-439	-1 459
Public transport operations	-44	-90	-215	-349
Indirect transfers	**-15 529**	**-26 655**	**-63 729**	**-105 913**
School infrastructure backlogs	-2 323	–	–	-2 323
National health insurance indirect	-13 206	-26 655	-63 729	-103 590
Total change to provincial government allocations				
Change to direct transfers	12 390	13 480	12 190	38 060
Change to indirect transfers	-15 529	-26 655	-63 729	-391
Net change to provincial government allocations	**-3 139**	**-13 175**	**-51 539**	**-67 853**

Source: National Treasury

After accounting for these changes, the provincial equitable share grows at an average annual rate of 3.5 per cent over the MTEF period, while direct conditional grant allocations grow at an average annual rate of 2.9 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 2026 MTEF period, the following amounts are allocated to the provincial equitable share: R670.3 billion in 2026/27, R698.6 billion in 2027/28 and R720.4 billion in 2028/29.

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 being made to the components of the formula as the review progresses. For the 2026 MTEF, no structural changes will be made to the components of the provincial equitable share formula.

Previously, the equitable share formula used data from the 2010/11 Income and Expenditure Survey from Statistics South Africa to account for the proportion of the population considered to be poor in each province. This data has been used consistently in the poverty component and was last updated following the release of the 2011 Census. In 2025, Statistics South Africa officially released the 2022/23 Income and Expenditure Survey. This data has been used to update the proportion of the population that is considered poor in each province.

For the 2026 MTEF, the rest of the formula has been updated with data from Statistics South Africa's 2025 mid-year population estimates on age cohorts and 2025 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 2023/24 and 2024/25 and the 2024 General Household Survey for medical aid coverage is also used to update the formula. The formula has been updated with 2024 provincial GDP data. The impact of these data updates on the provincial equitable shares will be phased in over the three years of the MTEF.

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 2026 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, 2026 MTEF

	Education	Health	Basic share	Poverty	Economic activity	Institu-tional	Weighted average
Eastern Cape	13.1%	13.7%	11.2%	12.7%	7.6%	11.1%	12.8%
Free State	5.1%	5.5%	4.8%	5.3%	5.0%	11.1%	5.5%
Gauteng	20.6%	21.0%	25.5%	18.7%	33.2%	11.1%	21.1%
KwaZulu-Natal	21.2%	21.0%	19.4%	22.4%	16.1%	11.1%	20.4%
Limpopo	12.8%	11.2%	10.1%	12.8%	7.8%	11.1%	11.8%
Mpumalanga	8.4%	8.0%	8.0%	9.7%	7.7%	11.1%	8.4%
Northern Cape	2.3%	2.3%	2.2%	2.6%	2.2%	11.1%	2.7%
North West	6.6%	6.8%	6.6%	7.2%	6.3%	11.1%	6.9%
Western Cape	9.9%	10.4%	12.1%	8.6%	14.2%	11.1%	10.5%
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 subcomponents, 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 2025 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 2025. These subcomponents 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

Thousand	Age 5-17	School enrolment 2024	School enrolment 2025	Changes in enrolment data	Weighted average 2025 MTEF	Weighted average 2026 MTEF	Difference in weighted average
Eastern Cape	1 873	1 790	1 782	-8	13.1%	13.1%	-0.05%
Free State	707	716	713	-3	5.1%	5.1%	-0.04%
Gauteng	3 087	2 660	2 675	16	20.5%	20.6%	0.08%
KwaZulu-Natal	3 026	2 889	2 901	11	21.4%	21.2%	-0.16%
Limpopo	1 723	1 818	1 843	26	12.7%	12.8%	0.04%
Mpumalanga	1 169	1 160	1 173	13	8.4%	8.4%	0.03%
Northern Cape	328	309	311	3	2.3%	2.3%	0.02%
North West	965	882	890	8	6.6%	6.6%	0.06%
Western Cape	1 478	1 278	1 283	6	9.9%	9.9%	0.02%
Total	**14 355**	**13 501**	**13 572**	**71**	**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 2025	Insured population 2026	Risk-adjusted index	Weighted population	Risk-adjusted shares 2025 MTEF	Risk-adjusted shares 2026 MTEF	Change
Eastern Cape	7 091	10.4%	120.3%	7 640	14.3%	14.1%	-0.2%
Free State	3 040	12.4%	110.3%	2 937	5.4%	5.4%	0.0%
Gauteng	16 105	21.3%	87.6%	11 098	20.0%	20.4%	0.4%
KwaZulu-Natal	12 232	10.2%	101.9%	11 196	20.7%	20.6%	-0.1%
Limpopo	6 366	10.0%	110.8%	6 353	11.9%	11.7%	-0.2%
Mpumalanga	5 076	10.4%	103.3%	4 696	8.6%	8.6%	0.0%
Northern Cape	1 379	15.9%	113.1%	1 312	2.4%	2.4%	-0.0%
North West	4 184	13.7%	108.6%	3 920	7.2%	7.2%	-0.0%
Western Cape	7 628	25.4%	91.6%	5 215	9.5%	9.6%	0.1%
Total	**63 101**			**54 366**	**100.0%**	**100.0%**	**0.0%**

Source: National Treasury

The risk-adjusted subcomponent estimates a weighted population in each province using the risk-adjusted index. The percentage of the population with medical insurance, based on the 2024 General Household Survey, is deducted from the 2025 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 subcomponent. The last column in Table W1.9 shows the change in this subcomponent between the 2025 and 2026 MTEF.

Table W1.10 Output sub-component shares

	Primary healthcare visits				Hospital workload patient-day equivalents			
Thousand	2023/24	2024/25	Average	Share	2023/24	2024/25	Average	Share
Eastern Cape	13 943	13 608	13 775	13.1%	3 872	3 843	3 857	12.5%
Free State	5 207	5 103	5 155	4.9%	1 881	1 807	1 844	6.0%
Gauteng	19 293	19 581	19 437	18.5%	7 265	7 405	7 335	23.7%
KwaZulu-Natal	24 041	24 267	24 154	23.0%	6 695	7 004	6 850	22.2%
Limpopo	12 463	12 327	12 395	11.8%	2 864	2 813	2 838	9.2%
Mpumalanga	8 167	8 320	8 244	7.9%	1 804	1 799	1 802	5.8%
Northern Cape	2 683	2 771	2 727	2.6%	614	612	613	2.0%
North West	7 118	7 186	7 152	6.8%	1 598	1 644	1 621	5.2%
Western Cape	11 859	11 941	11 900	11.3%	4 216	4 091	4 153	13.4%
Total	**104 773**	**105 105**	**104 939**	**100.0%**	**30 809**	**31 017**	**30 913**	**100.0%**

Source: National Treasury

The output subcomponent (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 2023/24 and 2024/25 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 2023/24 and 2024/25 is used to estimate their share of this part of the output subcomponent, which makes up 20 per cent of the health component. In total, the output subcomponent is 25 per cent of the health component.

Table W1.11 presents the health component in three parts, 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

	Risk-adjusted	Primary healthcare	Hospital component	Weighted shares		
Weight	75.0%	5.0%	20.0%	2025 MTEF	2025 MTEF	Change
Eastern Cape	14.1%	13.1%	12.5%	13.9%	13.7%	-0.2%
Free State	5.4%	4.9%	6.0%	5.5%	5.5%	-0.0%
Gauteng	20.4%	18.5%	23.7%	20.7%	21.0%	0.3%
KwaZulu-Natal	20.6%	23.0%	22.2%	21.0%	21.0%	0.1%
Limpopo	11.7%	11.8%	9.2%	11.4%	11.2%	-0.2%
Mpumalanga	8.6%	7.9%	5.8%	8.0%	8.0%	0.0%
Northern Cape	2.4%	2.6%	2.0%	2.3%	2.3%	0.0%
North West	7.2%	6.8%	5.2%	6.8%	6.8%	-0.0%
Western Cape	9.6%	11.3%	13.4%	10.5%	10.4%	-0.0%
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 2026 MTEF, population data is drawn from the 2025 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

	Mid-year population estimates		Population change	% population change	Basic component shares		
Thousand	2024	2025			2025 MTEF	2026 MTEF	Change
Eastern Cape	7 176	7 091	-85	-1%	11.4%	11.2%	-0.2%
Free State	3 044	3 040	-4	-0%	4.8%	4.8%	-0.0%
Gauteng	15 932	16 105	173	1%	25.3%	25.5%	0.2%
KwaZulu-Natal	12 313	12 232	-80	-1%	19.5%	19.4%	-0.2%
Limpopo	6 403	6 366	-36	-1%	10.2%	10.1%	-0.1%
Mpumalanga	5 058	5 076	18	0%	8.0%	8.0%	0.0%
Northern Cape	1 373	1 379	6	0%	2.2%	2.2%	0.0%
North West	4 155	4 184	29	1%	6.6%	6.6%	0.0%
Western Cape	7 563	7 628	65	1%	12.0%	12.1%	0.1%
Total	**63 016**	**63 101**	**85**	**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, Free State and 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. 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 2025 mid-year population estimates. For the 2026 MTEF, these provincial proportions are updated using data from the 2022/23 Income and Expenditure Survey. Table W1.13 shows the change in the proportion of the poor in each province between the 2010/11 and 2022/23 Income and Expenditure Survey. The table also shows the change in the weighted share of the poverty component per province from the 2025 MTEF to the 2026 MTEF.

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

Thousand	Income and Expenditure Survey 2010/11	2025 MTEF			Income and Expenditure Survey 2022/23	2026 MTEF			Difference in weighted shares
		Mid-year population estimates 2024	Poor population	Weighted shares		Mid-year population estimates 2025	Poor population	Weighted shares	
Eastern Cape	52.0%	7 176	3 734	14.8%	45.9%	7 091	3 255	12.7%	-2.1%
Free State	41.4%	3 044	1 260	5.0%	44.3%	3 040	1 348	5.3%	0.3%
Gauteng	28.9%	15 932	4 599	18.3%	29.7%	16 105	4 775	18.7%	0.4%
KwaZulu-Natal	45.3%	12 313	5 579	22.2%	46.9%	12 232	5 737	22.4%	0.2%
Limpopo	52.9%	6 403	3 384	13.5%	51.4%	6 366	3 273	12.8%	-0.7%
Mpumalanga	47.3%	5 058	2 390	9.5%	49.0%	5 076	2 489	9.7%	0.2%
Northern Cape	40.8%	1 373	560	2.2%	48.4%	1 379	667	2.6%	0.4%
North West	47.9%	4 155	1 990	7.9%	44.1%	4 184	1 844	7.2%	-0.7%
Western Cape	21.9%	7 563	1 653	6.6%	29.0%	7 628	2 213	8.6%	2.1%
Total		**63 016**	**25 150**	**100.0%**		**63 101**	**25 601**	**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. For the 2026 MTEF, the economic activity component has been updated with provincial GDP data from Statistics South Africa. Table W1.14 shows the weighted shares of the economic activity component.

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

	2025 MTEF		2026 MTEF		Difference in weighted shares
	GDP-R, 2019 (R million)	Weighted shares	GDP-R, 2024 (R million)	Weighted shares	
Eastern Cape	537 352	7.7%	557 247	7.6%	-0.1%
Free State	342 064	4.9%	364 919	5.0%	0.1%
Gauteng	2 329 820	33.2%	2 442 020	33.2%	0.0%
KwaZulu-Natal	1 137 671	16.2%	1 184 102	16.1%	-0.1%
Limpopo	535 582	7.6%	570 666	7.8%	0.1%
Mpumalanga	549 466	7.8%	567 648	7.7%	-0.1%
Northern Cape	158 236	2.3%	164 651	2.2%	-0.0%
North West	449 149	6.4%	459 802	6.3%	-0.1%
Western Cape	984 653	14.0%	1 041 394	14.2%	0.1%
Total	**7 023 994**	**100.0%**	**7 352 449**	**100.0%**	**0.0%**

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 2025 and 2026 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 2025 to 2026 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 subsections above.

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

	2025 MTEF weighted average	2026 MTEF weighted average	Difference
Eastern Cape	13.0%	12.9%	-0.1%
Free State	5.5%	5.5%	-0.0%
Gauteng	21.2%	21.0%	-0.1%
KwaZulu-Natal	20.2%	20.3%	0.1%
Limpopo	11.7%	11.8%	0.1%
Mpumalanga	8.3%	8.4%	0.1%
Northern Cape	2.7%	2.7%	0.0%
North West	7.1%	7.0%	-0.1%
Western Cape	10.3%	10.4%	0.1%
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 2026/27 published in the 2025 MTEF and closes the gap between these shares by a third in each year of the 2026 MTEF period. As a result, one third of the impact of the data updates is implemented in 2026/27 and two thirds in the indicative allocations for 2027/28. The updates are thus fully implemented in the indicative allocations for 2028/29.

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 the 2026 MTEF, the following allocations that are included in the provincial equitable share allocations to provinces have been determined using other methodologies:

- R2.3 million that has been reduced from the *human settlements development grant* and the *informal settlements partnership upgrading grant* and added to the provincial equitable share;
- R342 million that has added to the provincial equitable share to equalise remuneration as per the conditions of service for qualified educators in Grade R.
- R319 million that has been added to the provincial equitable share in 2026/27 for the continuation of the education assistants programme.
- R340 million has also been added in 2026/27 to the provincial equitable share to cover financial incentive costs in provinces for the Early Retirement Programme

Table W1.16 provides a summary of the allocations made outside the provincial equitable share formula 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

	2025/26	2026/27	2027/28	2028/29	
R thousand	Revised estimates	Medium-term estimates			Allocation criteria
Food relief shift	84 942	88 754	92 739	95 621	Allocated equally among the provinces
Social worker employment grant shift	285 683	298 502	311 907	321 601	Allocated in terms of what provinces would have received had the grant continued
Substance abuse treatment grant shift	99 356	103 814	108 476	111 848	Allocated in terms of what provinces would have received had the grant continued
Municipal intervention	110 987	115 967	121 175	124 941	Allocated equally among the provinces
HIV prevention programmes	129 941	135 772	141 869	146 278	Allocated based on the non-profit organisations located in the 27 priority districts
Social worker additional support shift	166 530	174 003	181 817	187 467	Allocated according to areas of high prevalence of gender-based violence, substance abuse and issues affecting children
Sanitary Dignity Programme	257 118	268 655	280 719	289 444	Allocated proportionately based on the number of girl learners per province in quintiles 1 to 3 schools
Infrastructure delivery improvement programme shift	53 703	56 113	58 633	60 455	Allocated equally among the provinces
Education sector presidential employment initiative		318 806			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	848 000	307 000	115 000	–	Allocated only to Eastern Cape
Reallocation from human settlements grants		1 137	1 191	–	Allocated only to KwaZulu-Natal to make technical correction
Grade R Equalisation		53 267	106 534	181 898	Allocated according to the number of qualifying grade R teachers whose salaries need to be equalised
Early Retirement & Voluntary Exit Programmes		340 275	–	–	Allocated according to the number of approved applications in each province
Total	**2 036 262**	**1 867 386**	**1 412 335**	**1 337 655**	

Source: National Treasury

Final provincial equitable share allocations

The final equitable share allocations per province for the 2026 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	2026/27	2027/28	2028/29
Eastern Cape	86 599	89 813	92 199
Free State	36 761	38 247	39 364
Gauteng	140 952	147 063	151 711
KwaZulu-Natal	136 378	142 178	146 679
Limpopo	78 951	82 364	84 979
Mpumalanga	56 019	58 585	60 580
Northern Cape	18 242	19 097	19 765
North West	46 867	48 522	49 860
Western Cape	69 553	72 757	75 273
Total	**670 323**	**698 626**	**720 409**

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 2.9 per cent over the medium term. Direct conditional grant baselines total R140.2 billion in 2026/27, R147.2 billion in 2027/28 and R152 billion in 2028/29. Indirect conditional grants amount to R3 billion, R2.6 billion and R2.7 billion respectively for each year of the same period. Table W1.18 provides a summary of conditional grants by sector for the 2026 MTEF period. More detailed information, including the framework and allocation criteria for each grant, is provided in Annexure W2 of this 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 2024/25.

Table W1.18 Conditional grants to provinces

R million	2025/26 Adjusted budget	2026/27	2027/28	2028/29	MTEF total
Agriculture	**2 794**	**2 396**	**2 619**	**2 702**	**7 718**
Comprehensive agricultural support programme	2 022	2 298	2 517	2 597	7 413
Ilima/Letsema projects	677	–	–	–	–
Land care programme: poverty relief and infrastructure development	94	98	102	105	305
Basic Education	**31 317**	**32 719**	**35 880**	**37 157**	**105 755**
Early childhood development	3 957	4 611	6 903	7 117	18 631
Education infrastructure	16 028	16 257	16 590	17 106	49 954
HIV and AIDS (life skills education)	262	272	283	292	847
Learners with profound intellectual disabilities	293	307	322	337	967
Maths, science and technology	459	478	497	512	1 487
National school nutrition programme	10 319	10 794	11 284	11 792	33 870
Cooperative Governance	**151**	**157**	**164**	**169**	**490**
Provincial disaster response	151	157	164	169	490
Health	**58 609**	**60 351**	**63 048**	**65 053**	**188 452**
District health programme grant	28 929	29 549	30 790	31 787	92 126
Health facility revitalisation	7 569	7 717	8 177	8 389	24 283
Human resources and training grant	5 650	5 909	6 174	6 385	18 468
National health insurance grant	467	475	497	513	1 485
National tertiary services	15 995	16 700	17 410	17 980	52 090
Human Settlements	**16 919**	**15 183**	**15 789**	**16 281**	**47 253**
Human settlements development	14 149	13 258	13 827	14 289	41 374
Informal settlements upgrading partnership	2 770	1 925	1 962	1 992	5 879
Public Works and Infrastructure	**627**	**649**	**681**	**703**	**2 033**
Expanded public works programme integrated grant for provinces	627	649	681	703	2 033
Sport, Arts and Culture	**2 276**	**2 371**	**2 469**	**2 547**	**7 387**
Community library services	1 649	1 719	1 790	1 848	5 356
Mass participation and sport development	627	653	679	700	2 031
Transport	**26 745**	**26 332**	**26 589**	**27 415**	**80 335**
Provincial roads maintenance	18 663	17 923	17 844	18 399	54 167
Public transport operations	8 082	8 409	8 744	9 016	26 169
Total direct conditional allocations	**139 439**	**140 158**	**147 238**	**152 028**	**439 423**
Indirect transfers	**4 599**	**3 008**	**2 597**	**2 678**	**8 283**
Basic Education	**1 284**	**448**	**–**	**–**	**448**
School infrastructure backlogs	1 284	448	–	–	448
Health	**3 315**	**2 560**	**2 597**	**2 678**	**7 836**
National health insurance indirect	3 315	2 560	2 597	2 678	7 836

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 R7.4 billion over the medium term. This allocation includes the funding that has been shifted from the *Ilima/Letsema projects grant.*

The *comprehensive agricultural support programme grant* and the *Ilima/Letsema projects grant* have been merged from the 2026 MTEF period, as recommended by the conditional

grants review process. 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 conditional grant framework of the *comprehensive agricultural support programme grant* has been amended to reflect the outputs of the *Ilima/Letsema projects grant.*

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 R305 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. The grant has been allocated R18.6 billion over the medium term.

From 2026/27, the allocation methodology for the *early childhood development grant* is being updated to ensure that it is based on credible data and to meet the objectives of early learning. The revised formula is underpinned by the principles of simplicity, equity, fairness, efficiency, flexibility and predictability. To protect provincial allocations from sudden changes and shortfalls, the new formula will be phased in on a 70:30 ratio of the new to the old formula.

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 R50 billion over the medium term. To receive the 2026/27 incentive, the departments had to meet certain prerequisites in 2024/25 and have their infrastructure plans approved in 2025/26. 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 is allocated R1.3 billion in 2026/27.

Table W1.19 Education infrastructure grant allocations

R thousand	Planning assessment results from 2025	2026/27		Final allocation for 2026/27
		Basic component	Incentive component	
Eastern Cape	79%	2 277 793	41 478	2 319 271
Free State	79%	1 004 096	41 478	1 045 574
Gauteng	77%	1 863 534	41 478	1 905 012
KwaZulu-Natal	95%	2 977 159	41 478	3 018 637
Limpopo	78%	1 831 294	41 478	1 872 772
Mpumalanga	77%	1 335 730	41 478	1 377 208
Northern Cape	77%	685 790	41 478	727 268
North West	81%	1 327 963	41 478	1 369 441
Western Cape	94%	2 580 740	41 478	2 622 218
Total		**15 884 097**	**373 304**	**16 257 401**

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.

The 2025 Budget announced the merger of the *education infrastructure grant* and the *school infrastructure backlogs grant* over the 2026 MTEF period. Merging the two grants does not mean the objectives of the *school infrastructure backlogs grant* 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 *school infrastructure backlogs grant* will be phased out incrementally over the MTEF period, with R448 million retained in the grant in 2026/27 to finalise the closeout of the projects while the remaining allocations for capital payments are shifted into the *education infrastructure grant*. The full allocation for compensation of employees in the *school infrastructure backlogs grant* 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 *national school nutrition programme grant* aims to improve the nutrition of poor school children, enhance their capacity to learn and increase their school attendance. The programme provides a free daily meal to learners in the poorest schools (quintiles 1 to 3). Over the medium term, R33.9 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, R1.5 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 2026 MTEF period, R847 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 R967 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 2026 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, R490 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 R92.1 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 R16.7 billion in 2026/27, R17.4 billion in 2027/28 and R18 billion in 2028/29.

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. The R295 million announced in the 2025 Budget that was approved through the Budget Facility for Infrastructure for the

Tygerberg Hospital Redevelopment Public-Private Partnership (PPP) for 2027/28 remains. 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 R7.7 billion in 2026/27, R8.2 billion in 2027/28 and R8.4 billion in 2028/29.

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

R thousand	Planning assessment results from 2025	2026/27		Final allocation for 2026/27
		Basic component	Incentive component	
Eastern Cape	85%	728 006	90 911	818 917
Free State	68%	624 036	–	624 036
Gauteng	80%	1 112 557	90 911	1 203 468
KwaZulu-Natal	83%	1 499 903	90 911	1 590 814
Limpopo	77%	568 191	90 911	659 102
Mpumalanga	84%	413 996	90 911	504 907
Northern Cape	69%	469 950	–	469 950
North West	83%	636 089	90 911	727 001
Western Cape	98%	1 028 014	90 911	1 118 925
Total		**7 080 741**	**636 379**	**7 717 120**

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, Northern Cape and the North West. A total of R18.5 billion has been allocated to the grant over the medium term.

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. Over the medium term, the grant is allocated R1.5 billion.

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 R2.6 billion in 2026/27, R2.6 billion in 2027/28 and R2.7 billion in 2028/29. Through the Budget Facility for Infrastructure, 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 of the grant 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 Bill 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 the 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 2022/23 Income and Expenditure Survey. A total of R41.4 billion has been allocated to this grant over the medium term.

Table W1.21 Human settlements development grant formula calculation

Components Description	Housing needs component Weighted share of inadequate housing	Poverty component Share of poverty	Population component Share of population	Grant formula shares 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

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 R1.9 billion in 2026/27, R2 billion in 2026/27 and R2 billion in 2028/29.

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. The grant also 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. Grant allocations are determined upfront based on the performance of provincial departments in meeting job targets in the preceding financial year while also incentivising 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. An amount of R2 billion has been allocated to the grant over the medium term.

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 R5.4 billion has been allocated to the grant over the medium term.

As part of the recommendations of the conditional grants review process, the *community library services grant* will be incorporated into the provincial equitable share. In preparation for this transition in 2027/28, in 2026/27, the department must conduct the required consultations to ready the system for the grant's closure. This will involve two tracks:

- Provincial engagements led by the Department of Sport, Arts and Culture
- Intergovernmental processes led by the National Treasury, including the Technical Committee on Finance and the Budget Council.

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

- In 2027/28, the compensation of employees component of the grant will be moved into the provincial equitable share and ring-fenced using the allocations in the grant and not the provincial equitable share formula.
- In 2028/29, the balance of the conditional grant will be moved into the provincial equitable share formula.

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 R653 million in 2026/27, R679 million in 2027/28 and R700 million in 2028/29.

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 R26.2 billion has been allocated to the grant over the medium term.

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 R54.2 billion has been allocated to the grant 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.

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 2026/27 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 2026 MTEF period announced in the 2025 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, R566.9 billion will be transferred directly to local government and a further R23.8 billion has been allocated to indirect grants. Direct transfers to local government over the medium term account for 9.5 per cent of national government's non-interest expenditure.

Table W1.22 Transfers to local government

R million	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Outcome			Adjusted budget	Medium-term estimates		
Direct transfers	**150 699**	**157 650**	**167 685**	**180 648**	**182 278**	**189 307**	**195 291**
Equitable share and related	**83 938**	**92 262**	**99 504**	**106 087**	**110 090**	**114 483**	**118 041**
Equitable share formula[1]	76 649	84 694	91 786	98 063	101 766	105 834	109 123
RSC levy replacement	6 249	6 524	6 647	6 909	7 170	7 456	7 687
Support for councillor remuneration and ward committees	1 040	1 044	1 071	1 115	1 154	1 194	1 231
General fuel levy sharing with metros	**15 335**	**15 433**	**16 127**	**16 849**	**17 530**	**18 230**	**18 796**
Conditional grants	**51 426**	**49 955**	**52 055**	**57 711**	**54 658**	**56 594**	**58 453**
Infrastructure	48 992	47 294	49 983	55 987	52 868	54 728	56 529
Capacity building and other	2 434	2 661	2 072	1 725	1 790	1 866	1 924
Indirect transfers	**7 182**	**8 174**	**7 089**	**7 863**	**7 473**	**8 031**	**8 280**
Infrastructure	7 118	8 120	6 953	7 863	7 473	8 031	8 280
Capacity building and other	64	54	136	–	–	–	–
Total	**157 880**	**165 824**	**174 775**	**188 510**	**189 751**	**197 338**	**203 571**

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

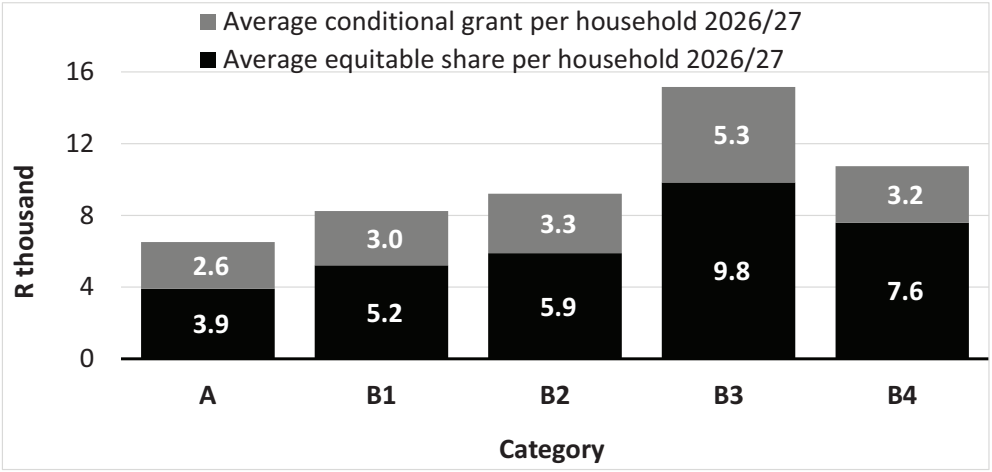
Source: National Treasury

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, 2026/27*



**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 2025 MTBPS have been endorsed. These include:

- The merger of the baselines of the *integrated national electrification programme grant* and the *energy efficiency demand side management grant* in 2026/27 to focus on energy efficiency and renewable energy programmes that can lead to more sustainable energy provision and enable the achievement of long-term energy security goals.
- A shift of R300 million in 2026/27 from the *municipal infrastructure grant* to the Department of Cooperative Governance's vote for the once-off gratuity payment to outgoing councillors after the local government elections.
- A shift of R536 million in 2026/27 from the direct component of the *municipal infrastructure grant* to the indirect component to address infrastructure delivery issues.
- A shift of R19.2 billion (R5.7 billion in 2026/27, R6.4 billion in 2027/28 and R7.1 billion in 2028/29) from the *urban settlements development grant* to the metro trading services component of the *urban development financing grant* to strengthen core utility functions; and an additional incentive allocation of R8.6 billion over the MTEF period towards the metro trading services component of the *urban development financing grant*, confirmed from the provisional allocations made in 2025.
- A reduction of R491 million in 2026/27 from the i*nformal settlements upgrading partnership grant: municipalities* to support the continuation of the implementation of the Presidential Employment Stimulus.

- A reduction of R784 million in 2026/27 from the i*ntegrated national electrification programme (Eskom) grant* to support the continuation of the implementation of the Presidential Employment Stimulus.
- A reduction of R921 million in 2026/27 from the *municipal infrastructure grant* to support the continuation of the implementation of the Public Employment Programme Presidential Employment Stimulus.
- The discontinuation of the indirect *neighbourhood development partnership grant*, with its baseline of R219 million over the MTEF shifted to the Vote of the National Treasury and earmarked to support government's infrastructure reforms.
- The correction of the BFI allocations for eThekwini Metropolitan Municipality, allocated through the urban development financing grant. The full allocation of R379 million for the non-revenue water project was erroneously allocated to eThekwini instead of being split between the municipality and the Infrastructure Fund as per the agreed work package. eThekwini's allocation in the *urban development financing grant* is reduced by R144 million over the MTEF and allocated to the Infrastructure Fund.
- An addition of R2.1 billion over the MTEF period to the *regional bulk infrastructure grant* for a regional wastewater treatment works project in Polokwane, funded through the Budget Facility for Infrastructure.
- A reduction of R8.3 billion over the MTEF period to the *public transport network grant,* identified through the Targeted and Responsible Savings process.

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	2026/27	2027/28	2028/29	MTEF total
Technical adjustments	**–**	**–**	**–**	**–**
Direct transfers	**-536**	**–**	**–**	**-536**
Conditional grants	**-536**	**–**	**–**	**-536**
Municipal infrastructure	-536	–	–	-536
Urban settlements development	-5 690	-6 365	-7 102	-19 157
Energy efficiency and demand-side management	-256	-266	-275	-797
Integrated national electrification programme	256	266	275	797
Urban development financing	5 690	6 365	7 102	19 157
Indirect transfers	**536**	**–**	**–**	**536**
Municipal infrastructure	536	–	–	536
Additions	**2 719**	**3 203**	**4 787**	**10 708**
Direct transfers	**2 719**	**3 203**	**4 787**	**10 708**
Conditional grants	**2 719**	**3 203**	**4 787**	**10 708**
Urban development financing	2 031	2 333	4 226	8 589
Regional bulk infrastructure	688	870	561	2 119
Reductions to baselines	**-4 950**	**-2 856**	**-4 041**	**-11 847**
Direct transfers	**-4 062**	**-2 749**	**-3 931**	**-10 741**
Conditional grants	**-4 062**	**-2 749**	**-3 931**	**-10 741**
Municipal infrastructure	-1 221	–	–	-1 221
Informal settlements upgrading partnership	-491	–	–	-491
Neighbourhood development partnership	–	-182	-392	-575
Urban development financing	-54	-50	-40	-144
Public transport network	-2 291	-2 516	-3 498	-8 306
Expanded public works programme integrated	-5	–	–	-5
Indirect transfers	**-888**	**-107**	**-111**	**-1 105**
Integrated national electrification programme	-784	–	–	-784
Neighbourhood development partnership	-103	-107	-111	-321

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

R million	2026/27	2027/28	2028/29	MTEF total
Additional Adjustments	**-996**	**-2 034**	**-4 852**	**-7 883**
Direct transfers	**-956**	**-1 950**	**-4 652**	**-7 558**
Equitable share and related	**-571**	**-1 182**	**-2 817**	**-4 570**
Equitable share formula	-528	-1 093	-2 604	-4 225
RSC levy replacement	-37	-77	-183	-298
Councillors and ward committees	-6	-12	-29	-48
General fuel levy sharing	**-91**	**-188**	**-448**	**-728**
Conditional grants	**-293**	**-580**	**-1 387**	**-2 260**
Integrated urban development	-7	-15	-35	-57
Municipal infrastructure	-100	-207	-493	-800
Informal settlements upgrading partnership	-25	-53	-126	-204
Urban settlements development	-51	-95	-221	-367
Energy efficiency and demand-side management	-1	-3	-7	-11
Integrated national electrification programme	-9	-18	-42	-68
Neighbourhood development partnership	-2	-5	-11	-18
Urban development financing	-7	-14	-45	-66
Public transport network	-42	-73	-173	-287
Rural roads asset management systems	-1	-1	-3	-5
Regional bulk infrastructure	-17	-31	-74	-121
Water services infrastructure	-23	-47	-112	-182
Municipal disaster response	-2	-4	-11	-17
Infrastructure skills development	-1	-2	-5	-7
Local government financial management	-3	-7	-16	-25
Expanded public works programme integrated	-3	-6	-15	-25
Indirect transfers	**-41**	**-84**	**-200**	**-325**
Integrated national electrification programme	-12	-26	-61	-99
Neighbourhood development partnership	-1	-1	-3	-4
Smart meters	-4	-9	-20	-33
Regional bulk infrastructure	-17	-35	-82	-133
Water services infrastructure	-7	-14	-34	-55
Total change to local government allocations				
Change to direct transfers	-2 835	-1 496	-3 796	-8 127
Change to indirect transfers	-393	-191	-311	-895
Net change to local government allocations	**-3 227**	**-1 688**	**-4 107**	**-9 022**

Source: National Treasury

Having taken these revisions into account, local government allocations decrease by R9 billion over the 2026 MTEF period. Direct allocations to municipalities over the next three years grow at an average annual rate of 2.6 per cent. Indirect allocations grow at an average annual rate of 1.7 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 2026 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 R342.6 billion (R110.1 billion in 2026/27, R114.5 billion in 2027/28 and R118 billion in 2028/29).

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 Bill.

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 subsections that follow.

ANNEXURE W1

Structure of the local government equitable share formula

LGES = BS + (I + CS) *x* ***RA ± 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 2026 terms, this monthly income is equivalent to about R4 790 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 2026 MTEF, the household numbers will not be updated, as revisions based on the 2022 Census data will be undertaken in January 2027. Moreover, Statistics South Africa has advised that the data required to determine levels of indigence may be included in the Continuous Population Survey, also to be undertaken in 2027/28.

These data limitations were discussed 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. The pause to the growth of household numbers over the 2026 MTEF period allows 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 2026 MTEF period will continue to use the 2023/24 household estimates used in the 2024 MTEF formula. This approach ensures stability in municipal allocations until the new, Census-rebased data series becomes available.

Due to the data limitations, the proportion of households below the affordability threshold in each municipality is still based on 2011 Census data. The subsidy is allocated to 100 percent of the households below the poverty threshold in 2026/27 and 2027/28, and 95 percent in 2028/29. In 2026/27, the basic services subsidy will fund 11.2 million households.

The basic services component provides a subsidy of R647.96 per month in 2026/27 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, 2026/27

	Allocation per household below affordability threshold (R per month)			Total allocation per service (R million)
	Operations	Maintenance	Total	
Energy	144.92	16.10	161.03	21 604
Water	208.75	23.19	231.95	31 119
Sanitation	124.84	13.87	138.71	18 610
Refuse removal	104.65	11.63	116.28	15 600
Total basic services	**583.16**	**64.80**	**647.96**	**86 934**

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 8.76 per cent in 2026/27, 8.83 per cent in 2027/28 and 8.80 per cent in 2028/29. These are updated based on the bulk multi-year price determination approved by the National Energy Regulator of South Africa for period 6, following the settlement reached with Eskom to address an oversight in the initial determination of January 2025. The increases for non-bulk electricity costs, are updated based on the National Treasury's inflation projections in the 2025 MTBPS (3.7 per cent in 2026/27, 3.3 per cent in 2027/28 and 3.2 per cent in 2028/29).

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 11.06 per cent for 2026/27. The increase for the outer years and other (non-bulk) water costs are updated based on the National Treasury's inflation projections in the 2025 MTBPS.

The estimated costs for sanitation and refuse removal are updated based on the National Treasury's inflation projections in the 2025 MTBPS.

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 Bill. The basic services component is worth R86.9 billion in 2026/27 and accounts for 85.4 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 2026/27, this component consists of a base allocation of R10 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 5.8 per cent of the local government equitable share formula and is worth R5.9 billion in 2026/27. 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 2026/27, the allocation to district municipalities for municipal health and related services is R13.48 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 8.7 per cent of the local government equitable share formula and is worth R8.9 billion in 2026/27.

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 R22.3 billion over the 2026 MTEF period.

Special support for councillor remuneration and ward committees

Councillors' salaries are subsidised in poor municipalities. The total value of the support provided in 2026/27 is R1.2 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 R54.7 billion in 2026/27 to R58.5 billion in 2028/29.

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 R187.9 billion over the 2026 MTEF period.

Table W1.25 Infrastructure grants to local government

R million	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Outcome			Adjusted budget	Medium-term estimates		
Direct transfers	**48 992**	**47 294**	**49 983**	**55 987**	**52 868**	**54 728**	**56 529**
Integrated urban development	1 085	1 172	1 146	1 278	1 379	1 434	1 479
Municipal disaster recovery	3 319	1 335	1 425	2 161	–	–	–
Municipal infrastructure	16 842	16 342	17 054	17 358	17 504	20 030	20 652
Informal settlements upgrading partnership	4 273	4 059	4 515	4 717	4 417	5 104	5 263
Urban settlements development	7 352	7 596	8 705	9 250	4 079	2 867	2 141
Energy efficiency and demand-side management	223	224	236	246	–	–	–
Integrated national electrification programme	2 120	2 032	1 746	1 697	1 902	1 978	2 040
Neighbourhood development partnership	1 293	1 346	1 291	542	428	263	66
Urban development financing	–	–	–	3 091	9 024	9 978	12 646
Public transport network	6 013	6 194	6 080	7 544	5 711	4 510	3 747
Rural roads asset management systems	115	115	121	126	131	136	141
Regional bulk infrastructure	2 656	3 259	3 627	3 757	3 902	3 865	3 649
Water services infrastructure	3 701	3 620	4 038	4 219	4 389	4 564	4 706
Indirect transfers	**7 118**	**8 062**	**6 953**	**7 863**	**7 473**	**8 031**	**8 280**
Municipal infrastructure	–	–	58	494	536	–	–
Integrated national electrification programme	3 588	3 518	2 196	2 274	1 593	2 472	2 549
Neighbourhood development partnership	190	189	95	99	–	–	–
Smart meters	–	–	500	650	796	828	853
Regional bulk infrastructure	2 725	3 240	3 058	3 227	3 215	3 343	3 447
Water services infrastructure	615	1 114	1 047	1 119	1 334	1 388	1 431
Total	**56 110**	**55 356**	**56 937**	**63 849**	**60 341**	**62 759**	**64 810**

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 R58.7 billion over the medium term. The 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 subcomponents 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 2026 (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, in future, 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 2026/27 (R million)[1]	Proportion of municipal infrastructure grant per sector
B-component	**75.0%**	**12 404**	**68.8%**
Water and sanitation	72.0%	8 931	49.5%
Roads	23.0%	2 853	15.8%
Other	5.0%	620	3.4%
P-component	**15.0%**	**2 481**	**13.8%**
Sports	33.0%	819	4.5%
E-component	**5.0%**	**827**	**4.6%**
N-component	**5.0%**	**827**	**4.6%**
Constant		**1 080**	**6.0%**
Ring-fenced funding for sport infrastructure		**421**	**2.3%**
Total		**18 040**	**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. The earmarked funds for 2026/27 amount to R421 million. While ring-fencing funds can ensure national priorities are addressed, the conditional grants review proposes strengthening the monitoring of this provision and identifying ways in which the National Treasury, the Department of Cooperative Governance, and the Department of Sports, Arts and Culture can collaborate to improve the programme. This augmentation will enable municipalities to adequately use this funding and make quality sports facilities available to the public. The idea has been shared with the sector, with further discussions planned after the 2026 Budget.

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 2026 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 facing implementation challenges, the Department of Cooperative Governance will deploy the indirect component of conditional grants to deliver projects on their behalf. The range of implementing agents has been expanded beyond the Municipal Infrastructure Support Agency to include the Development Bank of Southern Africa and capable district municipalities, enabling the Department of Cooperative Governance to match implementation capacity to municipal need. Municipalities converted to indirect delivery will be subject to time-bound capability restoration plans, with clear milestones for skills transfer and institutional strengthening to support their return to direct funding. For 2026/27, the indirect component will support 21 municipalities with a budget of R536 million, with phased expansion contingent on demonstrated delivery performance and the readiness of implementing agents. This approach ensures continuity of service delivery while building long-term municipal institutional capacity.

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 Bill. 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 0 if 30% or lower 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 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 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 continue being implemented in 2026/27. The total allocations for this grant amount to R4.3 billion over the 2026 MTEF period and grow at an average annual rate of 5 per cent.

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%	30%	0%	–	7%	14 255	14 255
Ray Nkonyeni	–	10%	30%	0%	–	7%	14 255	14 255
Alfred Duma		20%	20%	30%	–	13%	24 946	24 946
uMhlathuze	–	30%	20%	10%	–	11%	21 382	21 382
Polokwane	–	20%	30%	10%	–	11%	21 382	21 382
Steve Tshwete	–	10%	10%	10%	–	6%	10 691	10 691
Sol Plaatje	–	10%	30%	30%	–	13%	24 946	24 946
Drakenstein	–	10%	20%	30%	–	11%	21 382	21 382
Stellenbosch	–	30%	10%	10%	–	9%	17 819	17 819
George	–	10%	20%	30%	–	11%	21 382	21 382
Total	**–**					**100%**	**192 442**	**192 442**

Source: Department of Cooperative Governance

Urban settlements development grant

Over the years, the *urban settlements development grant* has faced criticism for restricting municipal discretion in its use, primarily due to its strong association with housing and human settlements projects. This focus has overlooked other critical municipal functions, notably bulk infrastructure development. In 2024/25, the grant framework was amended to underscore the importance of spending on both new and existing bulk infrastructure. This emphasis remains and will be reinforced through metropolitan trading services reforms over the 2026 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 Bill. 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.

Over the 2026 MTEF period, R19.2 billion from the metro trading services component is shifted and reallocated to the *urban development financing grant* to support metro trading services reform. This shift establishes a new baseline for the grant of R9.1 billion over the medium term. This figure includes R1.4 billion from the Budget Facility for Infrastructure for

the City of Johannesburg's Lufhereng Mixed-Use Development Programme. Municipal allocations (excluding Budget Facility for Infrastructure additions) are determined by the *municipal infrastructure grant* formula, with up to 3 per cent available to fund built-environment capacity in accordance with Department of Human Settlements guidelines.

Informal settlements upgrading partnership grant

Upgrading informal settlements remains a priority over the medium term. The *informal settlements upgrading partnership grant* is reduced by R491 million in 2026/27, with these funds reprioritised towards the Presidential Employment Stimulus and allocated R4.4 billion in 2026/27, R5.1 billion in 2027/28 and R5.3 billion in 2028/29. Upgrading informal settlements is an inclusive process through which informal residential areas are incrementally improved, formalised and integrated into the city or neighbourhood by extending land tenure security, infrastructure and essential services to residents of such settlements. The grant mandates collaboration between cities and affected communities in the development and execution of strategies for these upgrades.

Public transport network grant

Emanating from the Targeted and Responsible Savings process detailed in the 2025 MTBPS, the Minister of Finance announced that the *public transport network grant* will be scaled down over the 2026 MTEF period, with part of its baseline shifted towards integrated, multimodal transport systems linked to higher-density housing to create more inclusive and productive cities.

The grant has persistently underperformed over a long period, with weak prospects of achieving its intended outcomes under the current design. The grant has struggled to move a number of municipalities from planning to implementation, with implementation repeatedly disrupted by the frequent reallocation of funds between cities to secure compliance and absorb spending pressures rather than deliver sustainable operational systems. Over the past seven years, aggregate spending performance has averaged around 66 per cent, reflecting chronic underspending and large annual variances between funds transferred and actual municipal expenditure. Remedial measures (including peer-to-peer support and other interventions) have delivered only limited gains. Several cities have faced suspensions and/or reductions to baselines due to poor implementation and weak institutional capability, while others have been unable to mobilise the requisite own funding needed to demonstrate operational sustainability of the systems. In parallel, passenger numbers have remained muted and erratic across participating cities, reinforcing the assessment that the grant has not consistently translated capital allocations into reliable, high-usage public transport services.

The close-out of the grant creates an opportunity to redirect funding in a way that supports innovation and more effective public transport provision. Critically, the closure is intended to remove perverse incentives that can encourage over-capitalisation of routes and infrastructure to secure allocations without adequate regard to operational rollout, sustainability and ongoing operating costs. The Department of Transport and the National

Treasury, with the assistance of the World Bank, are jointly working on the development of a programme that will replace the *public transport network grant*.

The grant is allocated R14 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 during the phase-out period.

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 meet all three indicators. None of the cities met all three indicators for 2026/27, thus the incentive component is dormant in 2026/27, and the allocations determined fully through the formula.

Msunduzi Local Municipality was among the cities that were suspended in 2020/21 due to having been in the planning phase since the grant's introduction in the 2006 MTEF period. It 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 R330 million over the phase-out period of the grant.

The *public transport network grant* formula includes a base component that 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, eThekwini Metropolitan Municipality's and Mangaung Metropolitan Municipality's base allocations for 2026/27 are reprioritised towards Msunduzi Local Municipality. The bulk of the formula (80 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 W1.30 sets out how the final allocation for each municipality is determined, taking account of both the base and formula sub-components.

Table W1.30 Formula for the public transport network grant

	Base 20%	Demand-driven factors 80%			Total: base and demand-driven factors	Performance (N/A)	100%
	Equally shared[1]	Population component shares	Regional gross value added component shares	Public transport users component shares			Grant allocations [2] (R 000)
City of Cape Town	10%	17.8%	16.8%	15.1%	15.1%	-	**2 710 507**
City of Johannesburg	5.3%	21.1%	26.9%	22.3%	19.4%	-	**685 392**
City of Tshwane	10.0%	13.9%	16.0%	15.2%	13.9%	-	**491 839**
Ekurhuleni	10.0%	15.1%	10.1%	16.2%	13.0%	-	**458 701**
eThekwini	5.3%	16.4%	16.9%	19.6%	14.9%	-	**525 700**
George	21.5%	0.9%	0.5%	0.3%	5.2%	-	**184 884**
Mangaung	5.3%	3.6%	2.5%	3.5%	3.7%	-	**129 752**
Msunduzi	2.5%	0.0%	0.0%	0.0%	0.6%	-	**20 000**
Nelson Mandela Bay	10.0%	5.5%	5.0%	3.9%	6.0%	-	**211 004**
Polokwane	10.0%	3.0%	1.6%	1.4%	3.8%	-	**134 173**
Rustenburg	10.0%	2.6%	3.7%	2.5%	4.5%	-	**159 488**
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**-**	**5 711 440**

1. Equally shared among 6 of the 11 cities. A portion of the City of Johannesburg and eThekwini and Mangaung's base allocations for 2026/27 is reprioritised to fund Msunduzi and George local municipalities during the phase-out period
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 R2.5 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* will be discontinued at the end of the 2026 MTEF period. Over the medium term, the focus will shift to completing all current projects at various stages of development and implementation, with no new projects initiated. The direct component of the grant has been allocated R757 million over the 2026 MTEF period to support the phased discontinuation of the grant.

The indirect component of the grant, which provides technical assistance to municipalities for infrastructure project pipeline preparation, will cease from 2026/27. Funding will be shifted to the National Treasury vote to continue supporting government's infrastructure reforms.

Urban development financing grant

Introduced in 2025/26, the *urban development financing grant* supports spatially targeted urban development in metropolitan municipalities. It consolidates previous urban grants to address underinvestment in infrastructure and technical capacity gaps, while boosting resilient infrastructure investment and financial sustainability.

The grant operates through three components:

- **Metro trading services:** Improves water, electricity and waste management by linking funding to performance milestones (governance reforms, service delivery improvements,

financial transparency), enabling municipalities to access loan finance for infrastructure investment.

- **Neighbourhood development partnership:** Supports targeted investments in strategic locations to attract third-party capital and drive spatial transformation.
- **Programme and project preparation:** Develops investment-ready capital projects through institutionalised, efficient project preparation systems.

For the 2026 MTEF period, R31.6 billion has been allocated, comprising:

- R19.2 billion shifted from the *urban settlements development grant* to metro trading services.
- An additional incentive allocation of R8.6 billion for metro trading services (from provisional allocations in the 2025 Budget).
- R1.7 billion from the Budget Facility for Infrastructure (BFI) funding towards projects in City of Johannesburg (R578 million in 2026/27, R533 million in 2027/28, and R489 in 2028/29), and eThekwini (R54 million in 2026/27, R50 million in 2027/28, and R40 million in 2028/29).
- R1.1 billion for the neighbourhood development partnership component, and R1 billion for the programme and project preparation component of the grant.

The grant extends fiscal reforms to metro trading services, incentivising efficiency and enabling access to loan finance. Performance will be monitored through institutional, financial and operational reform indicators. Cohort 1 metros will be assessed on maintaining minimum commitments, with independent verification by an independent verification agent. Reporting requirements are streamlined and integrated with existing metro systems to eliminate duplication.

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 R11.4 billion over the 2026 MTEF period. This amount includes amounts from the Budget Facility for Infrastructure over the medium term. Sol Plaatje Local Municipality is allocated R1.3 billion over the medium term to refurbish and renew old water supply infrastructure. Drakenstein Local Municipality is allocated R225 million in 2026/27 to complete upgrades on sanitation infrastructure. Polokwane Local Municipality is allocated R2.1 billion over the medium term for a regional wastewater treatment works project. The indirect component of this grant is allocated R10 billion over the 2026 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 2026 MTEF period, the direct component of this grant is allocated R13.7 billion and the indirect component is allocated R4.2 billion.

Integrated national electrification programme grants

Following the conditional grants review process, the *energy efficiency and demand-side management* (EEDSM) *grant* will be merged into the *integrated national electrification programme* (INEP) *(municipal) grant* starting from 2026/27. This rationalisation aims to mitigate the proliferation of grants, address duplication and better align electrification outcomes with energy-saving initiatives. To ensure a smooth transition, the EEDSM component will be incorporated as a dedicated window within the INEP framework, maintaining its focus on public lighting, traffic signals and energy-efficient municipal infrastructure.

The grant is allocated R5.9 billion over the 2026 MTEF period, contributing to a total programme spend of R13.3 billion aimed at sustaining electricity access for 95 per cent of poor households. Within the municipal allocation, R808 million is specifically earmarked for the merged EEDSM window. These funds will continue to support selected municipalities in implementing energy-saving projects and the retrofitting of public infrastructure, leveraging private-sector investment through energy cost savings to ensure long-term sustainability and demand-side efficiency. The *integrated national electrification programme (Eskom) grant* is reduced by R784 million in 2026/27 towards the Presidential Employment Stimulus and allocated R6.6 billion over the medium term.

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 proposed merging the *rural roads asset management systems grant* with the roads component of the *municipal infrastructure grant* to better allow for this required interface. Preparatory work for implementing this recommendation will continue in 2026/27. This grant is allocated R408 million over the 2026 MTEF period.

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 R5.6 billion is allocated to capacity-building grants and other current transfers to local government over the medium term.

Table W1.31 Capacity building and other current grants to local government

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
R million	Outcome			Adjusted budget	Medium-term estimates		
Direct transfers	**2 434**	**2 661**	**2 072**	**1 725**	**1 790**	**1 866**	**1 924**
Municipal disaster response	517	873	378	395	411	427	441
Municipal emergency housing	53	–	–	–	–	–	–
Infrastructure skills development	159	151	165	173	180	187	193
Local government financial management	566	569	582	590	614	638	658
Programme and project preparation support	361	319	386	–	–	–	–
Expanded public works programme integrated	778	749	560	567	586	614	633
Indirect transfers	**64**	**147**	**136**	**–**	**–**	**–**	**–**
Municipal systems improvement	64	147	136	–	–	–	–
Total	**2 498**	**2 807**	**2 208**	**1 725**	**1 790**	**1 866**	**1 924**

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 Municipal Finance Management Act and to improve compliance and areas of weakness identified in the financial management capability maturity model. The grant also provides funds for the implementation of the municipal standard chart of accounts. Over the 2026 MTEF period, R1.9 billion is allocated to this grant, with an allocation of R614 million in 2026/27, R638 million in 2027/28 and R658 million in 2028/29.

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 2026 MTEF period, the National Treasury is rationalising 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 R559 million over the 2026 MTEF period, with an allocation of R180 million in 2026/27, R187 million in 2027/28 and R193 million in 2028/29.

The *Infrastructure Skills Development Grant* will remain under the management of the National Treasury for the next three financial years when it will cease to exist as a conditional grant. To assist this transition, the grant has ceased the intake of new graduates to allow the current graduate cohort to complete their training. This transition aligns infrastructure skills development with national priorities.

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 on EPWP performance, 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-intensive 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 2026 MTEF period, with an allocation of R586 million in 2026/27, R614 million in 2027/28 and R633 million in 2028/29.

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 Bill 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 bill 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 2026 MTEF period, R1.3 billion is available for disbursement through this grant: R411 million in 2026/27, R427 million in 2027/28 and R441 million in 2028/29. The grant increases by an average annual rate of 3.7 per cent over the medium term.

To ensure that sufficient funds are available to respond to disasters, section 20(7) of the Division of Revenue Bill 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 2026 MTEF period, the grant will continue to complement the municipal debt to Eskom relief measures by targeting municipalities already part of the programme. As the baseline gets augmented, the grant is expected to progressively extend across municipalities to help improve financial sustainability and management. Over the medium term, R2.5 billion

has been allocated to this grant: R796 million in 2026/27, R828 million in 2027/28 and R853 million in 2028/29.

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 2026 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

The review of the conditional grants system concluded in September 2024, and reforms based on its findings have been developed and are being progressively implemented. The reforms 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 has been underpinned by extensive consultation processes since July 2024 during which the National Treasury presented the findings and recommendations of the review. Most of the proposed reforms are intended for medium- to long-term implementation, while a select few have been prioritised for short-term introduction within the 2025 MTEF period. Further consultations have been conducted following the tabling of the 2025 Budget, focusing on reforms earmarked for medium- to long-term implementation. These ongoing engagements include impact assessments and preparatory work aimed at ensuring the successful rollout of the proposed changes. Over the 2026 MTEF period, government will roll out several local and provincial government reforms aimed at streamlining funding flows, reducing duplication, and aligning recurrent obligations with the appropriate funding base. These reforms are detailed in parts 4 and 5 of this annexure under

the relevant conditional grants. They aim to address systemic challenges within the grant system and are guided by the principles of equity, efficiency and sustainability.

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. 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.

The main aim of the review is to create an agile, climate-resilient and fiscally sustainable disaster risk management system that delivers coordinated and measurable results at a community level.

The National Treasury and the National Disaster Management Centre will work collaboratively to ensure that implementation of the 12-pillar model considers the legislative framework to avoid absolving municipalities from their responsibility to execute the disaster management function, which ought to be funded from own revenue. The model should outline the role of municipalities; clarify the role of the SANDF in responding to national, provincial and local disasters; and explain what this approach means for the disaster response funds currently specifically and exclusively appropriated for provincial and local government and for ownership and maintenance of their assets.

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 provincial equitable share formula is under review, with changes introduced into the formula as the review is being carried out. The current structure of the formula remains unchanged over the 2026 MTEF period. For this MTEF, the formula reflects the changing demographics in each province, with all its components updated with the most recent data available. The formula has been updated to account for the changes in population across provinces, the increasing number of children enrolled in schools as well as people who are not medically insured. The formula also accounts for the level of economic activity in each province.

Although the structure of the formula remains the same, the data used to calculate the proportion of people considered poor differs significantly from the previous MTEF. Members of the general population are considered poor when they fall into the first two quintiles of household incomes. In 2025, Statistics South Africa officially released the 2022/23 Income and Expenditure Survey, which has been used to update the provincial poverty proportions. Previously, the formula used data from the 2010/11 Income and Expenditure Survey, which has been used consistently since 2013/14. The proportions have changed significantly, with most provinces recording an increase in the proportion of households in the first two quintiles, except for the Eastern Cape, Limpopo and the North West.

Table W1.32 Proportion used to account for poor people

	Income and expenditure survey 2010/11	Income and expenditure survey 2022/23	Difference
Eastern Cape	52.0%	45.9%	-6.1%
Free State	41.4%	44.3%	2.9%
Gauteng	28.9%	29.7%	0.8%
KwaZulu-Natal	45.3%	46.9%	1.6%
Limpopo	52.9%	51.4%	-1.5%
Mpumalanga	47.3%	49.0%	1.7%
Northern Cape	40.8%	48.4%	7.6%
North West	47.9%	44.1%	-3.8%
Western Cape	21.9%	29.0%	7.1%

Source: National Treasury

Previously, the National Treasury, in collaboration with the Department of Basic Education and Statistics South Africa, carried out technical work to explore options to improve the current structure of the education component. The proposed reforms to the enrolment subcomponent comprise 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 enrolment 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 implementation of these reforms had to be paused for the 2026 MTEF to allow for consultations with the education sector. In addition, further technical work will be done to assess how the data from the latest Income and Expenditure Survey may be incorporated into the new proposed enrolment subcomponent.

Review of the provincial performance-based incentive system

The Minister of Finance introduced the performance-based incentive system in the 2012 MTBPS. The system aims to improve inefficiencies in the infrastructure delivery chain by promoting sound planning to achieve better value for money. Provinces have an opportunity to access additional funding for the provincial infrastructure baselines by submitting planning documents and performance reports that meet the minimum requirements outlined in the guidelines for the performance-based system. The financial incentive is ring-fenced as "unallocated" within the baselines of the *education infrastructure grant* and the *health facility revitalisation grant* over the 2026 MTEF period.

The assessments have shown a gradual improvement in infrastructure planning in both the provincial departments of education and health since the system's introduction over 10 years ago. However, challenges remain in project implementation and reporting. In some cases, planned projects are not implemented as intended, and unplanned projects are undertaken instead, leading to project failure and negatively affecting service delivery.

The National Treasury is reviewing the current performance-based system for provinces to strengthen mainly the allocation criteria for incentives, project implementation, monitoring and reporting. The review is anticipated to be completed by June 2026 and will be undertaken together with the provincial treasuries and the national departments of Basic Education and Health.

Preparing for national health insurance implementation

Certain provisions of the National Health Insurance Act (NHI) (2023) have been challenged in court, including concerns about the shifting of health functions from provinces without adequate public and provincial participation in the legislative process. The outcome of these court processes may bring greater clarity on the division of responsibilities across the three spheres of government and ensure that the implementation process adheres to constitutional principles and intergovernmental mandates.

Preparatory work on the progressive implementation of the NHI will continue, including developing systems and processes that will improve the functioning of and quality of care in the health system. This work is primarily funded via the *NHI indirect grant*, which is implemented by the national Department of Health, and the direct *NHI grant*, which is

implemented by provinces. Investments in health infrastructure are also critical in preparing the health system for NHI implementation.

Review of the local government fiscal framework

Government remains committed to reviewing the local government fiscal framework. 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.

The aim of the review is to critically examine the financial viability of the local government fiscal framework and identify key factors influencing its effectiveness, stability and long-term sustainability. This will be achieved by conducting an in-depth examination of existing policies, practices and mechanisms governing the allocation, management and use of fiscal resources at the local government level.

The review will be structured as per the following thematic areas:

- Overall local government fiscal framework baseline profile of distressed and optimally functioning municipalities and refinement of the problem statement.
- Local government equitable share formula.
- Local government expenditure reviews.
- Fiscal leakages in local government.
- Additional revenue considerations, including existing revenues options, including those that are undersubscribed, and exploring new additional own revenue sources and improved municipal borrowing for strengthening infrastructure investment and maintenance.

To ensure credibility and inclusivity, the review is guided by several oversight and engagement structures. A reference group has been established to provide expert inputs, validate findings and incorporate stakeholder perspectives throughout the study. The reference group is scheduled to meet four times during the review process, with meetings strategically aligned with key deliverables.

A working group coordinates technical inputs, monitors progress and addresses operational challenges. This group meets online every two months, providing a platform for continuous oversight and technical collaboration. In addition, a core project management group has been tasked with managing day-to-day project execution, coordinating research activities and preparing reports. This group meets fortnightly, ensuring consistent monitoring and agile management of the review process.

Engagement with municipalities has been a central component of the study. A representative sample of 32 municipalities was selected to participate in the review. Chief financial officers, Municipal managers and senior managers responsible for planning from these municipalities

are being interviewed to provide detailed data and insights. They are also invited to contribute to the review through up to four structured online engagements.

Involving the three groups and municipal chief financial officers guarantees that the review has adequate oversight and direction, broad stakeholder participation and meaningful input. This transparent and consultative approach strengthens the credibility of the review and ensures that its outcomes are practical, evidence-based and responsive to the needs of municipalities and citizens alike.

This work will be undertaken with the support of task teams comprising the Department of Cooperative Governance, SALGA and Statistics South Africa over the 2026 MTEF period.

Review of the 1998 White Paper on Local Government

The White Paper on Local Government review is in the synthesis-and-consolidation phase, following the April 2025 gazetting of the discussion document and the completion of the underpinning research programme. The synthesis report sets out the remaining tasks that need to be finalised: further testing of the emerging proposals with departmental units, political principals, practitioners and legal advisors; targeted follow-up engagements with key stakeholders (including SALGA and the National Treasury); closure of identified policy gaps; and preparation of a first draft of the revised White Paper by end-January 2026. The review team then anticipates a further public process in February 2026 (subject to confirmation), preparation of a Cabinet memorandum in March 2026 and submission of the final revised white paper by end-March 2026.

Key emerging findings point to a need for both immediate stabilisation and longer-term structural reform, anchored in a sharper diagnosis of root causes: weak accountability and consequences, political interference in administration, misaligned powers/functions and capability, fiscal design and structural funding gaps, and an overly complex “one-size-fits-all” system. The direction of reform is shifting from “developmental local government” as a municipal-only endeavour to “developmental governance at the local level,” emphasising shared responsibility across spheres, state-owned enterprises and communities.

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.

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 reconsider the 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 has consulted the relevant external stakeholders to solicit their views. The National Treasury is reviewing the draft norms and standards based on the views received. Following the review process, the draft norms and standards will be published for public comment before being submitted to Parliament for scrutiny.

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 February 2026 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.

Municipal borrowing

Government continues to observe a gradual increase in outstanding municipal long-term debt. Over the 25-year period from 1999/2000 to 2024/25, the municipal long-term debt rose from R20.3 billion to R66.6 billion, equivalent to an average annual growth rate of about 4.9 per cent. The stock at the end of 2023/24 amounted to R65.78 billion, increasing to R66.6 billion in 2024/25. While this year-on-year rise confirms an increase in continued use

of borrowing as a financing instrument for capital investment, the pace of new borrowing has moderated in recent years. This moderation reflects weaker credit appetite among lenders and affordability constraints, particularly outside the metropolitan segment.

The National Treasury has observed that the slow growth in municipal borrowing is largely due to the weak creditworthiness of municipalities. In conjunction with reforms aimed at strengthening municipal financial sustainability, the National Treasury embarked on staging a creditworthiness academy with the World Bank. The week-long workshop was 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. Following the workshop, the National Treasury initiated a process on providing guidelines to alternative financing mechanisms that would practically assist municipalities in determining where they are from a financial sustainability perspective and offering practical guidance on implementing alternative financing mechanisms. In 2026, the National Treasury will work on finalising the guideline and workshopping it with municipalities.

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.

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. It will focus on building financial capability for all municipalities. Additionally, selected municipalities will have opportunities to receive process innovations and strategic support to drive innovation. Key features of the programme include pre-grant capacity/capability 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 a customised capability development programme. 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.

Metro trading services incentive grant component

Over the medium term, metros must continue to maintain the minimum commitments and demonstrate measurable performance improvements against the scalable indicators and reform milestones set out in their approved A3-performance implementation action plans. Budgets must sustain multi-year implementation of operational and capital reforms, ensure ongoing ring-fencing and correct the Municipal Standard Chart of Accounts (mSCOA) classification of *urban development financing grant*–metro trading services incentive funding, and reflect verified performance outcomes and incentive allocations communicated through the annual budget process. Metros must also maintain readiness for independent verification by ensuring timely submission of credible evidence through the National Treasury reporting portal and continued alignment of Metro Trading Services Reform (MTSR) reporting with existing statutory and grant reporting obligations.

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 2026 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
- Outcome(s) 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
- 2026 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving provinces
- Process for approval of business plans for 2027/28

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, 2026 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2026/27 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 and reduce poverty through increased food production initiatives targeting vulnerable households, subsistence, smallholder and distressed commercial producers and agro-processors within strategically identified production areas prioritised in the Agriculture and Agro-processing Master Plan (AAMP)
Grant purpose	• 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 assist vulnerable South African farming communities to achieve an increase in agricultural production • To invest in infrastructure that unlocks agricultural production within strategically identified production areas • To revitalise agricultural colleges into centres of excellence
Outcome statements	• Broadened access to agricultural support for vulnerable households and black subsistence, smallholder and distressed commercial producers and agro-processors • Increased number of sustainable and profitable black producers in horticulture, grains, livestock, fibre and aquaculture value chains • Increased agricultural production of field crops such as grains and oilseeds, livestock, horticulture, fibre and aquaculture at both household and national level • Improved access to production inputs • Increased quantities (tons) of agricultural commodities produced by smallholder and household farmers • Increased capacity to support and oversee productivity and farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP) • Improved systems required for the maintenance of a foot and mouth disease free status as prescribed by the World Organisation for Animal Health • Increased wealth creation and sustainable employment in rural areas • Increased access to formal and institutional markets by beneficiaries of CASP • Improved household and national food security • Rehabilitated and expanded irrigation schemes • Reliable and accurate agricultural information available for management decision making
Outputs	• On and off-farm infrastructure provided and repaired, including agro-processing infrastructure • Land under agricultural production (field crops such as grains and oilseeds, horticulture fibre, and livestock) • Superior breeding animals acquired and distributed to farmers • Hectares of rehabilitated and expanded irrigation schemes • Community gardens supported • School gardens supported • Number of producers supported per category (vulnerable households, subsistence, smallholder and commercial) and per commodity • 50 per cent women, 40 per cent youth and 6 per cent people living with disabilities (farmers supported per category) • Quantity of output (tons) produced by beneficiaries of CASP per commodity • Number of beneficiaries of CASP that are South African Good Agricultural Practices certified • Number of jobs created • Number of unemployed graduates placed on commercial farms • Number of beneficiaries of CASP trained on farming methods or opportunities along the value chain • Percentage of CASP beneficiaries with access to formal and institutional markets • 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 • Physical boundary between the foot and mouth disease free zone and the protection zone provided and maintained • Food and veterinary laboratory infrastructure, including quality systems accreditation, revitalised in eight provinces (except Gauteng) • Number of animals vaccinated for foot and mouth disease • Number of extension officers including Assistant Agricultural Practitioners recruited and/or maintained in the system • Number of extension officers trained or deployed to commodity organisations • Partnerships with commodity organisations
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 10: Reduced poverty and improved livelihoods
Details contained in the business plan	• Outcome indicators • Outputs indicators • Inputs • Key activities • Monitoring framework • Risks and mitigation strategies

Comprehensive Agricultural Support Programme Grant	
Conditions	• At least 30 per cent of the projects allocation must support food production (crop and livestock production) initiatives, prioritising vulnerable households, irrigation schemes, communal areas and areas under traditional leadership, subsistence, smallholder and distressed commercial producers supported with inputs and mechanisation. 30 per cent of this allocation may rehabilitate infrastructure in irrigation schemes • At least 50 per cent of the project allocation must support infrastructure development for production areas prioritised in the Agriculture and Agro-processing Master Plan • At least 3 per cent of the project allocation must be spent on market access and development • At least 3 per cent of the project allocation must be spent on training and capacity building of farmers, and 2 per cent can be used for mentorship programme • At least 1 000 unemployed agricultural graduates must be placed in commercial farms nationally as follows: o Gauteng and Northern Cape must place at least 80 graduates each o the remainder of the provinces must place at least 120 graduates each o all graduates must be employed at a rate of around R95 000 – R100 000 per annum in line with DPSA directive on the employment of persons to developmental programmes in the public sector • At least 5 per cent of the project allocation must support biosecurity interventions • At least 2 per cent of the project allocation must support livestock improvement programmes especially those aligned to Kaonafatso ya Dikgomo in partnership with the Agricultural Research Council • The producers supported must be linked to, but not limited to, commodity organisations including the commercial and emerging commodity organisations. The province should have formal partnership 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) • In cases where producers 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 • All assisted producers should be listed or registered in the provincial and national farmer registers • The Department of Agriculture (DOA) will reprioritise the allocated funds on the following basis: 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 o in the event of a disaster that affects the implementation of approved plans o provinces not adhering to the CASP standard operating procedure framework when implementing projects or implementing projects that are not approved by DOA o in the event that the ring-fenced funds are used for other things without prior approval by the transferring officer • 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 the business plans. Such changes must be approved by the transferring officer before they are implemented • The receiving officers may approve changes to the budget of already approved projects where savings or price escalations were realised. Such changes must finally be approved by the transferring officer before the end of the financial year • 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 • The signed business plan for CASP must be submitted to the DOA for approval • The projects must be listed in the DOA project list template and submitted to DOA within a month after approval of the provincial business plan • At least 80 per cent of the allocations for agricultural colleges must only be utilised to revitalise infrastructure and equipment at these colleges while 20 per cent must be utilised for the other four pillars of the Colleges Revitalisation Plan • Infrastructure projects must be reported in the provincial infrastructure reporting model
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 conditional grant 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 • In 2026/27 the CASP grant is merged with the Ilima/Letsema Projects 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, smallholder and subsistence farming
Past performance	**2024/25 audited financial outcomes** • Allocated and transferred R2 billion (of which R300 million was flood disaster for WC and R40 million were approved rollovers) and R1.8 billion (88 per cent) was spent
	2024/25 service delivery performance • 1 271 subsistence farmers supported • 7 213 smallholder farmers supported • 838 black commercial farmers supported • Beneficiaries were supported from 437 projects implemented, with 311 projects completed at the end of the financial year • 301 (68 per cent) supported projects were owned by youth and 227 (52 per cent) were owned by women

Comprehensive Agricultural Support Programme Grant	
	• 52 per cent of beneficiaries supported were women, 14 per cent were youth and 1 per cent were people with disabilities • On and off farm infrastructure delivered include 68 irrigation systems, 10 stock and irrigation dams, 56 boreholes 54 stock water structures, 26 stock handling facilities, 10 projects of solar systems erected, 2 dairy structures, 9 dipping tanks, 27 small stock structures, 12 poultry struct one aquatic nursery structure, 2 nursery infrastructure, 349.87 km of fencing, 5 pack houses, 3 processing infrastructures, 9 storage facilities, 2 vet structures revamped, 6 ablution facilities, 6 hydroponic structures • 3 824 jobs created • Foot and mouth disease control deliverables: 222 FMD vaccination sessions in Limpopo, 120 000 animals were vaccinated in Mpumalanga; North West procured laboratory refrigerator and renovation of state veterinary clinic in Vryburg • 95 farms were audited for South African good agricultural practices certification and 49 farms were certified, while 86 farms were re-certified • 66 per cent of the smallholder farmers supported had access to formal markets • 17 708 farmers were trained in targeted training programmes, 48 per cent trained were women, 30 per cent trained were youth and 5 per cent trained were people with disabilities • 247 beneficiaries of CASP were supported with mentorship from 94 projects supported • 1 035 agricultural graduates were placed on commercial farms for a period of two years (2023/24-2024/25) as part of the youth entrepreneurial programme • 29 extension officers were recruited nationally and 250 maintained in the system • 10 agricultural colleges upgrading infrastructure (ongoing)
Projected life	• Grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R2.3 billion; 2027/28: R2.5 billion and 2028/29: R2.6 billion
Payment schedule	• Four instalments: 8 May 2026, 28 August 2026, 30 October 2026; and 29 January 2027
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Agree on outputs and targets with provincial departments in line with grant objectives for 2026/27 • Provide the guidelines and criteria for the development, approval and implementation of business plans • Provide a template for project registration and reporting • CASP transfers (planned, actual and revised) related to infrastructure projects must be reported in the national infrastructure reporting model • Monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly • Submit monthly financial reports to National Treasury 20 days after the end of the month • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit an annual evaluation performance report to National Treasury within four months after the end of the financial year • Oversee and monitor implementation of the grant during Ministerial Technical Committee and quarterly review meetings
	Responsibilities of the provincial departments • Provinces to adhere to the conditions of this framework and the 2026 Division of Revenue Act (DoRA) • Provinces to submit a detailed project list in the DOA project list template and project business plans • Provinces must report infrastructure projects and related infrastructure support funded through CASP in the provincial infrastructure reporting model monthly and quarterly • Submit project quarterly performance reports to the transferring officer using the DOA project list template • In an instance the receiving officer uses any organ of state to assist with the implementation of CASP projects, the receiving officer must submit a copy of the agreement to the transferring officer and National Treasury; and publish by notice in the Gazette, the allocations envisaged in the agreement before payment is made • Provinces must implement the CASP business plans as approved • All receiving departments must abide by the Public Finance Management Act, Treasury Regulations and the 2026 DoRA when executing projects as well as for reporting purposes • 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 • Assign and delegate officials to manage and monitor the implementation of the programme before April 2026 • Keep a record of projects supported • Monitor project implementation on a quarterly basis and evaluate the impact of projects in achieving CASP goals • Provinces to adhere to the approved CASP standard operating procedure framework

Comprehensive Agricultural Support Programme Grant	
Process for approval of 2027/28 business plans	• Provide provincial departments with business plan format, guidelines, criteria and outputs as prescribed by National Treasury by 23 May 2026 • Submission of provincial CASP business plans by provinces by 28 August 2026 • Engagement with provinces (pre-national assessment panel) on submitted business plans during October/November 2026 prior to final national assessment panel meeting • Evaluation and recommendation of business plans by national assessment panel between November 2026 and February 2027 • Send funding agreements to provinces by February/March 2027 to be signed by heads of departments, Chief Financial Officers and CASP coordinators • Approval of business plans by the transferring officer before 31 March 2027 • Inform provinces of approval of the business plans by March or April 2027 • Approval by the transferring officer regarding 2027/28 business planning process compliance during April 2027 and send to the National Treasury by end April 2027

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 • Improved production potential of arable land leading to increased yield • Improved quantity and quality of South Africa's water resources through projects in SoilCare, VeldCare, Conservation Agriculture and WaterCare focus areas of LandCare programmes • Improved irrigated land soil and water management • 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 opportunity to learn agricultural skills and knowledge • Improved custodianship and stewardship of natural agricultural resources through community-based initiatives by all land users • Improved livelihoods of rural communities within the ambit of the green economy • Improved partnerships with private, public, non-governmental organisations and community sectors • Improved knowledge and skills base of participants and land users • Enhanced ecosystem services and biodiversity for current and future generations • Improved governance of natural agricultural resources of the country • Improve policy and legislative frameworks for natural agricultural resources management • Sustained renewable energy solutions for small scale/emerging farmers aligned to farm management plan
Outputs	• Hectares of rangeland protected and rehabilitated • Number of hectares of agricultural land under fodder production • Hectares of arable land protected and rehabilitated • Hectares of land under conservation agriculture • Number of farmers using conservation agriculture • Number of irrigated land under sustainable water management • Number of youths and agricultural schools successfully attended all the organised Junior LandCare initiatives • Number of hectares of land and interventions where water resources are protected and rehabilitated • Number of schools supported through JuniorCare activities • Number of capacity building initiatives conducted for land carers and institutions • Number of people who benefited from capacity building initiatives • Number of awareness campaigns conducted • Number of people more aware of sustainable use of natural agricultural resources • Hectares of land where weeds and invader plants are under control • Hectares of land where bush encroachment is under control • Number of kilometres of fence erected • Number of green jobs created expressed as full-time equivalents • Number of LandCare committees established • Number of protocols, guidelines, strategies, policy and legislative frameworks developed for natural resources management • Number of agricultural schools supported • Number of agricultural graduates' projects/initiatives supported • Number of renewable energy technologies supported
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 10: Reduced poverty and improved livelihoods
Details contained in the business plan	• Project header • Project background • Farm plan map • Farm management plan detail • Beneficiaries and job creation • Change pathways • Pre-project assessment • Risk assessment • Implementation map • Implementation details • Exit strategy • Monitoring and evaluation

LandCare Programme Grant: Poverty Relief and Infrastructure Development	
Conditions	• Provinces must confirm capacity to implement projects before funds can be transferred • The province to delegate the responsibility of the receiving officer to the Provincial LandCare Coordinator at a deputy director or director level • Provincial departments annual evaluations must be submitted two months after the end of the financial year using an approved LandCare template • The impact (before and after) of the LandCare programme should also be quantified during initiation, implementation and handing-over phases of the projects • Projects should be implemented and guided by farm management plan in terms of Conservation of Agricultural Resources Act • Provinces should report signed financial performance per project on the 15th of every month in compliance with the 2026 Division of Revenue Act (DoRA). 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 • Projects should adhere to the reporting dates as stipulated in the 2026 DoRA and furthermore adhere to dates as agreed during the quarterly meetings and National LandCare Secretariat • 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 • Provinces should undertake skill audit of beneficiaries, provide training, and submit reports to the national Department of Agriculture (DOA) • 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: o nodes of the most deprived wards in the country o land capability: total hectares class I, II and III (spatial analysis - land capability data) o size: hectares (new boundaries from the Municipal Demarcation Board) o poverty: poverty gap based on food poverty line of Statistic South Africa Living Conditions Survey 2018 o land degradation: hectares (Land Degradation Report 2018) o policy imperatives and development for sustainable land management 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	**2024/25 audited financial outcomes** • Allocated R90 million and transferred R87 million to provinces, of which provinces spent R85 million (95 per cent) by the end of the financial year
	2024/25 service delivery performance • 18 338 hectares of rangeland protected and rehabilitated • 1 238 hectares of arable land protected and rehabilitated • 9 045 hectares of land under conservation agriculture • 11 177 youths successfully attending organised Junior LandCare initiatives • 3 household and school food gardens established through Junior LandCare • 1 water sources developed or protected against over-utilisation • 42 capacity building initiatives conducted for Land Carers • 3 581 people with improved capacity and skill levels benefiting from capacity building initiatives • 199 awareness campaigns conducted and attended by Land Carers • 3 664 people more aware of sustainable use of natural resources • 8 808 hectares of land where weeds and invader plants are under control • 3 177 hectares of land where bush encroachment is controlled • 160 kilometres of fencing erected • 3 035 green jobs created expressed as full-time equivalents • 4 LandCare committees established
Projected life	• This grant will be aligned with changes in the Expanded Public Works Programme, national planning framework report and policy developments within government
MTEF allocations	• 2026/27: R98 million; 2027/28: R102 million; and 2028/29: R105 million
Payment schedule	• Allocation to provinces will be disbursed on a quarterly basis (May 2026, July 2026, October 2026; and January 2027)
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Host national assessment panel to assess the projects with the provincial departments in line with grant objectives for 2026/27 • Review guidelines and standards for the implementation of the grant • Provide the guidelines and criteria for the development and approval of business plans • Monitor implementation through project site visits, reports, quarterly meetings with provinces and provide support to provinces • Submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter • Submit evaluation reports to the National Treasury within four months after the end of the financial year

LandCare Programme Grant: Poverty Relief and Infrastructure Development	
	• Non-compliance by provinces till quarter two (of the current financial year) to consider their allocation stopped and reallocated as stipulated in 2026 Division of Revenue Act
	Responsibilities of provincial departments • 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 the 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 • Hold provincial assessment panels, using 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 2026 • Submit signed LandCare funding agreement to DOA • 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 2026 • Submit signed monthly financial and jobs (EPWP) reports to DOA on the 15th day of every month • Submit signed quarterly reports (non-financial) with portfolio of evidence 30 days after the end of each quarter on the progress of the projects • Provinces should further adhere to agreements approved in quarterly meetings on performance, reporting and any other matter related to natural resource management • 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 • Monitor project implementation and evaluate the impacts of projects in achieving LandCare goals • Submit evaluation reports to DOA within two months after the end of the financial year • Ensure and support the upscaling of conservation agriculture practices within communities • Assist farmers with soil testing to improve and maintain soil health • Incorporate renewable and efficient energy technologies into LandCare projects • Conduct training for farmers and officials on soil fertility and testing, veld survey tools and veld management
Process for approval of 2027/28 business plans	• DOA must provide provincial departments with business plan formats and guidelines by July 2026 • 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 (NAP) • Evaluation and recommendation of business plans by the NAP before the end of March 2027 • Interactions with provinces on the NAP comments and final submission of signed individual and provincial business plans by the provinces prior to approval by Accounting Officer of DOA • 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 expand equitable access to quality early childhood development (ECD) services with a focus on vulnerable and poor children ensuring safe, inclusive and developmentally appropriate learning environments
Grant purpose	• To increase the number of poor children accessing subsidised, quality ECD programmes • To support ECD providers delivering ECD programmes to meet basic health and safety requirements for registration • To construct low-cost ECD centres
Outcome statements	• The provision of quality ECD to poor children contributing towards universal access • 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: o infrastructure component o subsidy component
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
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: o project background o project objectives o scope of the work o deliverables and outputs to be achieved 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 R8 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 • Furthermore, provinces may utilise up to R6 million of grant funding for the appointment of public servants to either their ECD directorate or EMIS directorate to assist in increasing access to quality ECD services in the province, including the tools of trade that are required to increase access to quality ECD. Provinces must follow the employment framework issued by the national department regarding these contracts • 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 • 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	**2024/25 audited financial outcomes** • Of the total grant allocation of R1.6 billion, 100 per cent was transferred to provinces
	2024/25 service delivery performance • 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	• 2026/27: R4.6 billion; 2027/28: R6.9 billion; and 2028/29: R7.1 billion allocated as follows: o subsidy component: 2026/27: R4.3 billion; 2027/28: R6.6 billion; and 2028/29: R6.8 billion o infrastructure component: 2026/27: R268 million; 2027/28: R284 million; and 2028/29: R293 million
Payment schedule	• Quarterly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Assess and approve the business plans submitted by provinces • Manage, support and monitor project progress and compliance with the conditional grant framework • Submit monthly financial report to the National Treasury 20 days after the end of the reporting month • Consolidate and submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Monitor the utilisation of the grant against the set outcomes and take appropriate action in cases of non-compliance with the framework • Facilitate approval of the payment schedule and approval of in-year adjustments to the payment schedule • The DBE will develop ECD infrastructure grant guidelines to be issued to the provinces by 27 March 2026 • Visit selected infrastructure sites in provinces
	Responsibilities of the provincial departments • Submit approved business plans signed off by the head of department to the DBE by 24 February 2026

Early Childhood Development Grant	
	• Implement the business plan as approved by the DBE • Submit monthly financial reports to DBE 15 days after the end of the reporting month • Provinces must upload all ECD maintenance projects on the infrastructure reporting model and update it monthly • Submit quarterly performance reports to DBE within 30 days after the end of each quarter
Process for approval of 2027/28 business plans	• Engagements will be held with provincial departments on the submission of business plans between September 2026 and February 2027 • Submit final provincial business plan, including cash flow projections and compliance certificates signed off by the heads of departments for the 2027/28 financial year must be submitted to DBE by 12 February 2027 • DBE must approve the final business plans by 31 March 2027

Early Childhood Development Grant: Infrastructure Component	
Transferring department	• Basic Education (Vote 16)
Grant schedule	• Schedule 5, Part A
Strategic goal	• To expand equitable access to quality early childhood development (ECD) services with a focus on vulnerable and poor children ensuring safe, inclusive and developmentally appropriate learning environments
Grant purpose	• To support ECD providers delivering an ECD programme to meet basic health and safety requirements for registration • To construct low-cost ECD centres
Outcome statements	• The provision of ECD services to poor children contributing towards universal access • Improving health and safety conditions in which early learning takes place
Outputs	• Number of ECD centres supported with Health and Safety interventions for compliance with registration • Number of conditionally registered ECD centres maintained or upgraded to full compliance with registration • Number of new low-cost ECD centres constructed and operationalised
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
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: o project background o project objectives o scope of the work o deliverables and outputs to be achieved o risk assessment with mitigation plan
Conditions	**Health and Safety Intervention** • This allocation may be used for conditionally registered ECD centres to provide health and safety support to improve their registration status • ECD Programmes must select ECD centres for health and safety support **Maintenance and upgrading** • This allocation may be used for: o conditionally registered ECD centres to do minor infrastructure maintenance works and upgrades to enable them to improve their registration status o infrastructure units in the provinces must receive a list of selected ECD centres for maintenance or upgrading from programme centres must sign service level agreements with the provincial department before implementing maintenance or upgrades o provinces shall include all projects in the final infrastructure asset management plan to be submitted at the end of March 2026 o all projects must be recorded on the infrastructure reporting model 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 **New centre construction** • This allocation may be used for 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 • A maximum of R3.6 million may be used for the construction of new ECD centres, inclusive of all costs • ECD centres must sign service level agreements with the provincial department before new construction of a centre • Every province must construct at least one ECD centre in 2026/27 • Each province must include the number of ECD centres to be constructed and the costs for the construction in the business plan for 2026/27 • Provinces shall include all projects in the final infrastructure asset management plan to be submitted at the end of March 2026 • All projects must be recorded on the infrastructure reporting model • 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 **General conditions** • DBE will develop guidelines for implementation that must be issued to the provinces by 27 March 2026 • All ECD sites may only benefit from this fund if they are eligible as per the requirements in the guideline issued by DBE • All projects must be selected, planned and implemented in a manner consistent with the guideline issued by the DBE • For conditionally registered centres a maximum amount of R600 000 per ECD centre may be spent on health and safety intervention and/or on maintenance improvement and upgrades, inclusive of all costs (Value Added Tax, disbursements etc) • Prior approval for any amount exceeding more than 20 per cent of the maximum amount per centre should be obtained from the head of department or the Chief Financial Officer with a detailed assessment and

Early Childhood Development Grant: Infrastructure Component	
	cost analysis to justify the additional amount • Provinces must conduct assessments of conditionally registered ECD sites and cost them in order to qualify for funding in 2027/28 and submit by 30 September 2026
Allocation criteria	• The provincial infrastructure allocations are determined based on: o a base allocation for the construction of at least one low cost ECD 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 • 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	**2024/25 audited financial outcomes** • The R81 million maintenance grant allocation was fully transferred to the provinces, with provinces spending R59 million (72 per cent) by end of the financial year
	2024/25 service delivery performance • 827 Health and Safety packs were delivered, 172 ECD centres were maintained and 7 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	• 2026/27: R268 million; 2027/28: R284 million; and 2028/29: R293 million
Payment schedule	• Quarterly instalments according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • DBE will develop ECD infrastructure grant guidelines for each of the two areas listed above that must be issued to the provinces by 30 January 2026 • DBE will conduct monitoring on the grant, support provincial education departments and consolidate quarterly grant performance reports received from PEDs • DBE ensures all provinces adhere to norms and standards developed for ECD
	Responsibilities of provincial departments • Provinces must provide a procurement plan on how they will implement their projects in the 2027/28 financial year by 31 August 2026 • The ECD infrastructure project manager must maintain a secure database of all ECD centres that have been assisted with maintenance, upgrades or new construction • The ECD programme manager must maintain a secure database of all ECD centres that have received health and safety support • The ECD programme manager must maintain a secure database of all ECD centres that have improved their registration status • Provinces must record all maintenance and new construction projects on the national infrastructure reporting model and education facilities management system • Provinces must adhere to the requirements in the ECD infrastructure grant guidelines issued by DBE in the implementation of the grant • 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 2027/28 business plans	• Engage with provincial departments on the submission of business plans between September 2026 and February 2027 • Provincial education departments to submit approved business plans signed off by the head of department to the DBE by 24 February 2027 • The transferring officer must approve the final business plans by 31 March 2027

Early Childhood Development Grant: Subsidy Component	
Transferring department	• Basic Education (Vote 16)
Grant schedule	• Schedule 5, Part A
Strategic goal	• To expand equitable access to quality early childhood development (ECD) services with a focus on vulnerable and poor children ensuring safe, inclusive and developmentally appropriate learning environments
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) • Number of all children: o enrolled in ECD programmes in fully and conditionally registered ECD centres o subsidised from the conditional grant in fully and conditionally registered ECD centres o enrolled in fully and conditionally registered non-centre-based programmes o subsidised from the conditional grant in fully and conditionally registered non-centre-based programmes o benefiting from the top-up grant in fully and conditionally registered ECD centres o subsidised through provincial own revenue, including the equitable share in fully and conditionally registered ECD centres • Number of days subsidised for centre-based programmes • Number of sessions subsidised in non-centre-based programmes • Number of ECD practitioners and other staff working in subsidised ECD programmes • The number of Bronze level ECD programmes registered through the Bana Pele Mass Registration Drive receiving Bronze support • Number of new staff appointed to either the ECD Directorate or EMIS Directorate to support improved ECD administration using eCares • Number of social workers and social auxiliary workers appointed to support improved ECD administration using eCares
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
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 contain the following: o project background o project objectives o scope of the work o deliverables and outputs to be achieved 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 • ECD programmes registered at Bronze level not eligible for the subsidy until they reach silver or gold registration • The subsidy is targeted for children of any age in registered ECD programmes • The provincial education departments and ECD programmes will enter into SLAs which stipulate the purpose of the subsidy, the amount and conditions of the subsidy and obligations of both provincial education departments and ECD programmes regarding the payment of the subsidy, compliance with funding and the reporting requirements • The value of the subsidy paid to each centre-based ECD programme is R24 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 • The value of the subsidy paid to each registered non-centre-based ECD programme is R13 multiplied by the number of sessions, multiplied by the number of qualifying children attending as agreed to in the SLA • 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 • 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 • 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 • Additional subsidy funding must be prioritised in accordance with guidelines issued by the DBE set out below: o eligible programmes in designated priority municipal wards are to be targeted for full subsidy funding up to the total confirmed enrolment of the programme. These programmes will not be subject to any individual income-based means test 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

Early Childhood Development Grant: Subsidy Component	
	○ 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 ○ a child is eligible to be subsidised if his/her parents' income falls below the following prescribed test **Income-based means test:** • 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 2025. This is updated each year with an increase in the grant value • 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 • In the case of children who are not beneficiaries of a child related grant the following must be submitted: ○ proof of income of parents (or caregivers) ○ three months bank statements of parents or guardians ○ affidavit declaring status of income **Support to Bronze programmes:** • Once all eligible children in programmes which the province has received an approved subsidy application for 2026 have been subsidised, any remaining funds may be used to provide Bronze income support in line with the prescribed conditions below: ○ only ECD programmes registered at Bronze level are eligible for Bronze income support ○ bronze support is targeted for children of any age in registered ECD programmes ○ the value of Bronze support paid to each ECD programme is R2 000 multiplied by the number of children enrolled in the ECD programme ○ bronze support funds may be used to assist the programme in meeting Silver registration requirements outlined in the registration framework ○ provinces must follow the guidelines issued on how to administer bronze support to ELP programmes
Allocation criteria	• The provincial subsidy allocations are determined based on: ○ the number of poor children that should be accessing ECD subsidy ○ the number of poor children who are 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 • 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	**2024/25 audited financial outcomes** • R1.4 billion was allocated and transferred to the provinces, which subsequently achieved a 99.7 per cent expenditure rate by the end of the financial year
	2024/25 service delivery performance • 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	• 2026/27: R4.3 billion; 2027/28: R6.6 billion; and 2028/29: R6.8 billion
Payment schedule	• Quarterly instalments according to approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Review standardised SLAs to be entered into between provincial departments of basic education and ECD programmes if necessary • Review of the standardised business plan • Develop guidelines for the implementation of the ECD subsidy and Bronze income support
	Responsibilities of provincial departments • Conclude SLAs with ECD programmes in a format prescribed by the DBE • Ensure that payments are made in line with the payment schedule as per the SLAs with ECD programmes • 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 • Subsidies may only be reduced in cases of non-compliance as outlined in the prescribed SLA • 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 • Maintain a secure database on the status of registration of all ECD programmes in the province that is inclusive of the following basic information: ○ ECD programme name ○ ECD programme type ○ registration status ○ registration expiry date ○ location information including education district, local municipality and ward ○ capacity of the centre ○ number of children enrolled ○ number of children enrolled in subsidised programmes ○ number of children with disabilities enrolled in subsidised programmes ○ number of children with disabilities enrolled

Early Childhood Development Grant: Subsidy Component	
Process for approval of 2027/28 business plans	• Provincial Department of Education to submit approved business plans signed off by the head of department to the DBE by 24 February 2027 • The transferring officer must submit payment schedules and compliance certificates by February 2027 • The transferring officer must approve provincial business plans by 31 March 2027

Education Infrastructure Grant	
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 • 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
Outcome statements	• Improved quality of education service delivery by provincial departments as a result of an improved and increased stock of school infrastructure • Aligned and coordinated approach to infrastructure development at the provincial sphere • Improved education infrastructure expenditure patterns • Improved response to the rehabilitation of school infrastructure • Improved rates of employment and skills development in the delivery of infrastructure • 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 • Number of existing schools' infrastructure upgraded and rehabilitated including schools constructed of asbestos material and other inappropriate material • Number of new and existing schools maintained • Number of disaster damaged schools rehabilitated • Number of schools provided with water, sanitation, and electricity • Number of work opportunities created • Number of new special schools provided, and existing special and full-service schools upgraded and maintained
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
Details contained in the business plan	• This grant uses an infrastructure plan that includes: o the infrastructure programme management plan o the procurement strategy o the capacitation strategy o the infrastructure reporting model 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) • 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 • The flow of the first instalment of the grant depends upon receipt by the DBE and provincial treasuries and National Treasury of: o approved and signed-off infrastructure plan with tabled prioritised project lists for the 2026 medium-term expenditure framework (MTEF) by no later than 13 March 2026. The infrastructure plan must, where applicable, also include the implementation plans for schools affected by natural disasters o approved and signed-off infrastructure project list (Table B5) for the 2026 MTEF on the infrastructure reporting model o preventative and corrective maintenance plan for all maintenance programmes over the 2026 MTEF period accompanied by a project list no later than 13 March 2026 • The flow of the second instalment depends upon receipt by DBE, provincial treasuries and National Treasury of the approved and signed-off: o monthly infrastructure reports in a format determined by the National Treasury and DBE 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 2025/26 financial year no later than 29 April 2026 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 2025/26 financial year within 22 days after the end of the fourth quarter • 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: 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	
	○ the 2026/27 project list must be drawn from the prioritised project list for the MTEF tabled in 2025/26 ○ 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 ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ 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 2026/27 by 25 July 2026 ○ 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 2026/27 financial year within 22 days after the end of the first quarter ○ the conditional grant year-end evaluation report on financial and non-financial performance no later than 27 May 2026 • 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: ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ 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 2026/27 by 23 October 2026 ○ 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 ○ procurement strategy for infrastructure programmes envisaged to commence within the period of the MTEF on a date specified in the performance-based approach guidelines ○ 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 2026/27 financial year within 22 days after the end of the second quarter • 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: ○ monthly infrastructure reports in the format determined by National Treasury and the DBE ○ 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 2026/27 to DBE no later than 20 January 2027 ○ 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 2026/27 financial year within 22 days after the end of the third quarter • 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 • Provincial education departments must comply with the framework for infrastructure delivery and procurement management • 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 • 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 • Provincial education departments to prioritise and fund from the grant, the eradication of pit latrines and other unacceptable forms of sanitation • The grant allocation can be transferred to schools in line with the guidelines which will be issued by DBE • Provincial education departments to prioritise the rehabilitation of storm damaged schools, schools built of asbestos and other inappropriate material • Provincial education departments must utilise this grant for minor renovations to classrooms to improve accessibility and ensure compliance with universal design standards • 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 2026/27, for commissioning of projects in 2027/28 • Provincial education departments may use multiple implementing agents when implementing projects funded from the grant • 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 • 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 • Provincial education departments must provide all the necessary equipment and furniture in the spaces provided when constructing new projects

Education Infrastructure Grant	
	• 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 • Provincial education departments to ensure cost-effectiveness as they implement infrastructure projects • The DBE approved 10-point plan must be implemented to ensure improvements in infrastructure delivery • Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of transfers • The following amount is allocated through the Budget Facility for Infrastructure for the construction of schools in Western Cape. These funds may only be used for this projects and are subject to the conditions set out in the 2026 MTEF preliminary allocation letter to DBE: o Western Cape: R1.3 billion • An amount of R4.6 billion from the School Infrastructure Backlogs Grant (SIBG) will be merged into this grant over the 2026 MTEF period and earmarked for specific priority projects identified by the DBE and conditions set out in the letter to the respective provinces. In 2026/27 R1.1 billion will be allocated to three provinces, namely, Eastern Cape, KwaZulu-Natal and Limpopo for the construction of appropriate sanitation to meet norms and standards o Eastern Cape: R355 million o KwaZulu-Natal: R464 million o Limpopo: R285 million • The allocation for 2027/28 (R1.7 billion) and 2028/29 (R1.8 billion) will remain unallocated within this grant
Allocation criteria	• Allocations for 2026/27 are based on historical allocations for this grant • Allocations also include incentive-based allocations as described in part 4 to Annexure W1 of the 2026 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	**2024/25 audited financial outcomes** • Of the R14 billion allocated, R14 billion (100 per cent) was transferred and spent by provinces
	2024/25 service delivery performance • 2 532 teaching spaces and 82 administrative spaces provided • 1 113 maintenance projects, 278 water, 328 sanitation, 61 electricity and 148 fencing infrastructure projects • Completed two boarding facilities • The sector has provided a total of 41 new and replacement schools in provinces, while 102 schools commenced with construction
Projected life	• Grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R16.3 billion; 2027/28: R16.6 billion; and 2028/29: R17.1 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** • Visit selected infrastructure sites in provinces • DBE and National Treasury to support provinces to improve infrastructure delivery capacity and systems • Provide guidance to provinces in planning and prioritisation • Issue guidelines on the capacitation process of infrastructure units as well as the conditions attached to the utilisation of the funding • 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 • 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 • Assess the reports submitted by provincial education departments and provide feedback before transferring the instalment • Submit reports to the National Treasury in terms of quarterly achievements by provincial education departments • Comply with the conditions of this grant framework and the relevant clauses within the stipulated time frames of the 2026 Division of Revenue Act (DoRA)
	Responsibilities of provincial departments • 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 • 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 • Comply with the conditions of this grant framework and the relevant clauses within the stipulated time frames in 2026 DoRA • Submit quarterly capacitation reports within 22 days after the end of each quarter

Education Infrastructure Grant	
	• Ensure that section 42 transfers as per the Public Finance Management Act are effected
Process for approval of 2027/28 business plans	• The process for approval for the 2027 MTEF allocations will be in line with the performance-based incentive approach guidelines published by National Treasury • Submission to National Treasury by DBE of the infrastructure programme management plan for 2026/27 projects by 12 February 2027 for projects completed under the School Infrastructure Backlogs Grant

HIV and AIDS (Life Skills Education) Grant	
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 • Contribute to preventing new HIV, STIs and TB infections • 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 the implementation of South Africa's National Strategic Plan on HIV, STIs and TB Strategy 2023 – 2028 (NSP) to accelerate implementation of a comprehensive strategy for prevention, treatment, care and support, mitigate the impact of HIV by implementing prevention programmes and reduce the vulnerability of children to HIV, TB and STIs, with a particular focus on orphaned learners (boys and girls)
Outcome statements	• Increased HIV, STI, TB and Sexual Reproductive Health knowledge and skills amongst learners, educators, school support staff and officials in order to reduce risky sexual behaviours through awareness, peer education, and advocacy campaigns • Decrease in risky sexual behaviour among learners • Decreased barriers to retention in schools, in particular for vulnerable learners (girls and boys)
Outputs	• Build capacity of the sector by: o 8 084 educators, officials capacitated on DBE HIV prevention policies, frameworks, including the HIV, AIDS policy, Policy on the Prevention and Management of Learner Pregnancy in Schools (LPPM), the protocol on reporting on sexual assault and harassment in schools, Integrated School Health Policy (ISHP), Standard Operating Procedure for the provision of sexual and reproductive health rights and social services in secondary schools, and the guide for Learner Support Agents (LSAs) and schools on the provision of psychosocial support to learners o 6 852 educators trained to implement care and support 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 o 2 689 learner support agents capacitated on the guide for LSAs and schools on the provision of Psychosocial support and ISHP SOP in order to strengthen referral and access to Sexual Reproductive Health services o 7 937 parental communication dialogues on care and support programmes including HIV, Early Unintended Pregnancy (EUP), risky sexual behaviours and substance abuse • 4 677 primary and secondary schools with peer education providing comprehensive sexuality education, access to sexual and reproductive health and TB services including a focus on prevention of alcohol, drug use and learner pregnancy, targeting 327 200 learners. Priority will be in schools located in high priority areas • 2 689 learner support agents appointed to support care and support programmes implemented to reach 158 450 vulnerable learners, using the care and support for teaching and learning framework • 51 550 Information, Education and Communication (IEC) material printed and distributed to 8 480 schools • 9 317 number of school-based advocacy, social mobilisation and calendar events reaching 344 800 learners, including commemoration • 4 170 number of schools monitored
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities
Conditions	• Provincial education departments must distribute the grant allocation in accordance with the following weights for the key performance areas: o capacity building and training of educators and officials in in policies and implementing care and support programme (10 per cent) o co-curricular activities (peer-education and dialogues) (15 per cent) o care and support (appointment of LSAs) (45 per cent) o printing and distribution of IEC material (5 per cent) o advocacy and social mobilisation (10 per cent) o monitoring and support (8 per cent) o management and administration (7 per cent) • Provincial education departments must report on implementation and expenditure according to the above seven key performance areas per quarter • Instalments are dependent on the DBE receiving these reports, adherence to approved business plans and attendance at the biannual inter-provincial meetings

HIV and AIDS (Life Skills Education) Grant	
	• The above percentages are guidance and may be deviated from in accordance with provincial needs with the approval of the national transferring officer • 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 • Provincial education departments must ensure they have the necessary capacity and skills to manage the implementation of the grant
Allocation criteria	• The education component of the provincial equitable share formula, as explained in part 4 of Annexure W1 of the 2026 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: o National Strategic Plan for HIV, TB and STIs (2023–2028) o 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 o Learner Pregnancy Policy • 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	**2024/25 audited financial outcomes** • Of the R250 million allocated to provinces, R250 million (100 per cent) was transferred to provinces, of which R242 million (96.9 per cent) was spent by the end of the financial year
	2024/25 service delivery performance • 7 194 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 • 4 773 school management teams and governing bodies trained to develop policy implementation plans focusing on the keeping mainly young girls in schools, ensuring that comprehensive sexuality education and TB education are implemented for all learners • 115 836 learners reached through co-curricular activities and jamborees on provision of comprehensive sexuality education, access to sexual and reproductive health and TB services. • Care and support programmes and psychosocial support services implemented to reach 107 620 learners and 3 523 educators; Learner Support Agents appointed to support vulnerable learners prioritising primary schools • 52 999 copies of curriculum and assessment policy statement (CAPS) compliant comprehensive sexuality education material, including material for learners with barriers to learning, printed and distributed to 3 805 schools • Host advocacy and social mobilisation activities and events with 310 121 learners, educators and school community members lobbying for support of the DBE policies and empower them to change social norms and values on the provision of Comprehensive Sexuality Education and Sexual Reproductive Health services. In addition, 1 669 schools were reached through TB awareness activities • 3 880 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	• 2026/27: R272 million; 2027/28: R283 million; and 2028/29: R292 million
Payment schedule	• Four instalments: 15 April 2026; 29 July 2026; 28 October 2026; and 27 January 2027
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • 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 • Identify risks and challenges impacting provincial implementation • Develop risk management strategies to address these risks • 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 behaviour and teenage pregnancy in schools • Agree on outputs and targets with provincial education departments in line with grant objectives and national imperatives for 2027/28 from 23 September 2026 • Monitor implementation of the programme and provide support to provinces • Establish partnerships with key stakeholders • 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 and expenditure against the allocated budget)
	Responsibilities of the provincial departments • 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 behaviour and teenage pregnancy in schools • Identify risks and challenges impacting implementation

HIV and AIDS (Life Skills Education) Grant	
	• Develop risk management strategies and implementation plans to address these risks • Submit monthly reports, quarterly and annual performance evaluation reports to the DBE in line with the 2026 Division of Revenue Act and Public Finance Management Act • Agree with the DBE on outputs and targets to ensure effective implementation and expenditure of the programme • Monitor implementation of the programme and provide support to districts and schools • Provincial education departments to implement the projects according to the approved business plans • Any deviation should first be communicated to and approved by the DBE before implementation • Evaluate and submit a provincial evaluation report on the performance of the conditional grant to the DBE in May/June 2026 (date will be determined by the national department)
Process for approval of 2027/28 business plans	• Communicating and meeting with provinces to inform targets for 2027/28 from 28 October 2026 • Provincial education departments submit draft business plans to DBE for evaluation from 27 November 2026 • DBE evaluates provincial business plans from 9 December 2026 • Comments sent to provincial education departments to amend the plans from 8 January 2027 • Provincial education departments submit amended and signed plans to DBE from 24 February 2027 • DBE approves provincial business plans from 2 April 2027

Learners with Profound Intellectual Disabilities Grant	
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 • 483 special care centre data captured and managed using the South African School Administration and Management System • 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 • Number of caregivers trained on accredited training • 9 672 children with severe to profound intellectual disabilities supported through a range of services • Number of children with severe to profound intellectual disabilities from special care centres placed in schools • Number of practitioners, caregivers and class assistants appointed
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities • Annual budget and resource allocation schedules • Monitoring and reporting • Risk management plan • Cash flow projections • Participating centres and schools list (separate annexure) • Organogram for transversal itinerant outreach team within the district
Conditions	**Grant structure and allocation** • The grant is utilised on an interventional basis and is not a general source of funding for all special care centres and schools • 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 • 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 • Schools that have enrolled learners with profound intellectual disabilities from special care centres in schools should be supported • 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 • The allocation of funds per provincial education department should be divided as follows: o 9 per cent for the training of caregivers 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 o 65 per cent for compensation of transversal itinerant outreach team members and provincial grant managers o 9 per cent for administration including travel, vehicles, accommodation and subsistence • 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 29 October 2026. Any deviation for the appointment of practitioners, caregivers and class assistants must not exceed 3 per cent of the grant allocation **Business planning process** • 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 • 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 • 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

Learners with Profound Intellectual Disabilities Grant	
	• In order to ensure effective and adequate support to learners, outreach teams must prioritise LSPID Conditional Grant activities as a first responsibility; however, where necessary, the receiving department may deploy them to support relevant district functions, provided this does not compromise the achievement of the grant deliverables. Outreach teams must be appointed and compensated in accordance with post levels as agreed upon with the national Department of Basic Education (DBE) • 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 • 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 • 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 • 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 • 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 • The receiving department must work with DBE and ensure that caregivers receive accredited training that results in recognised qualifications • 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 • Transport is provided for in the grant framework and hence costs incurred from the use of own cars must be avoided • 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 **Procurement** • 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 • To effectively use finances the use of implementing agencies to procure items must be avoided • 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 • 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 • Buying of assistive devices must be informed by an assessment by a therapist • The receiving department must procure specialised tools of trade and storage equipment in special care centres and where storage is inadequate • Procurement should include training of caregivers, teachers and end-users in the utilisation of all resources provided • Transfer of the first tranche to provincial education departments will be done on submission of approved business, procurement and training plans • 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	**2024/25 audited financial outcomes** • The R278 million allocation was fully transferred to the provinces, with provinces spending R268 million (96 per cent) by the end of the financial year
	2025/26 service delivery performance • Deputy chief education specialists appointed as provincial grant managers • 227 appointed transversal itinerant outreach team members recruited to guide and support curriculum delivery

Learners with Profound Intellectual Disabilities Grant	
	and provide therapeutic support in special care centres and targeted schools • Data Management: 454 special care centres that support children with severe to profound intellectual disabilities managed using South African School Administration and Management System • Training: 227 transversal itinerant outreach team members, 2 738 care givers, 387 teachers, 107 in-service therapists and 105 officials trained on the learning programme for learners with profound intellectual disabilities • 596 caregivers received certification for a range of accredited training, including training in ECD Level 4 and 370 enrolled in various accredited training programmes that end in 2025/26 • Outreach services: outreach services provided to 9 672 children/learners with severe to profound intellectual disabilities. The following services were rendered: o 2 013 learners assessed by psycho-education psychologists and determined their education strengths and needs, and assessment reports used to guide nature of support o 5 230 learners with profound intellectual disabilities were taught using the learning programme for learners with profound intellectual disabilities o learners participated in basic skills programmes, 3 546 learners received therapy and 492 received assistive devices o 454 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 o shipping storage containers were procured for special care centres that do not have safe and adequate storage to store learning and teaching support materials o 33laptops, 20 cartridges, 33 monitors bought for transversal itinerant outreach team members as tools of trade, 44 board makers, 7 folding wheels shopping cart for LTSM storage, 35 office desks, 7 cabinet fillings, 35 chairs, 109 packets of vinelands o 410 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	• 2026/27: R307 million; 2027/28: R322 million; and 2028/29: R337 million
Payment schedule	• Transfer payments shall be effected on 16 April 2026; 18 August 2026; 17 November 2026 and 16 January 2027
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Evaluate, approve and submit provincial business plans to National Treasury • Refine monitoring and evaluation guidelines tools that will be used to monitor and evaluate the implementation of the grant • Refine standard operation procedures and tools, if and when necessary, that will be used to enhance performance management and accountability • Work with provincial education departments in developing a guiding document to guide provincial education departments with the appointment of practitioners or caregivers in 2026/27 on a 12-month contract to support children placed in schools from special care centres and the appointment of class assistants in 2026/27 on a 12-month contract to support teachers in schools that have enrolled learners with profound intellectual disabilities from special care centres • Train provincial grant managers and transversal itinerant outreach team members on programmes to ensure the effective implementation of the grant, including the implementation of the learning programme for learners with profound intellectual disabilities • Monitor and support the implementation of the conditional grant by provincial education departments • Collaborate with other government departments to ensure the provision of integrated services to learners/children with severe or profound intellectual disabilities
	Responsibilities of provincial departments • Develop and submit approved business and procurement plans to the DBE • Manage the implementation of business plans in line with the 2026 Division of Revenue Act and the Public Finance Management Act as amended to ensure that expenditure is on track and that there is no withholding of transfers by the transferring officer • Ensure systems, capacity and controls are in place to ensure the successful implementation of the conditional grant • Facilitate the appointment of outreach team members and grant managers in permanent posts as per the conditional grant conditions • Work with the DBE in developing a document to guide provincial education departments on the appointment of practitioners/caregivers in 2026/27 on a 12-month contract to support children placed in schools from special care centres • Work with the DBE in developing a document to guide provincial education departments on the appointment of class assistants in 2026/27 on 12-month contracts to support teachers in schools that have enrolled learners with profound intellectual disabilities from special care centres • Ensure conditional grant activities are implemented as approved in the business plans. Any proposed deviations from the approved plans must be submitted in writing to the DBE and receive written approval from the transferring officer prior to implementation • 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 • Use the DBE systems to manage data on special care centres

Learners with Profound Intellectual Disabilities Grant	
	• Ensure that children enrolled in special care centres are enrolled in schools • Ensure compliance with reporting requirements by providing consolidated quality-assured and approved quarterly reports 30 days after the end of the quarter • 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 provision of integrated service delivery of services to children with severe or profound intellectual disabilities • Plan and implement advocacy programmes for the implementation of inclusive education for learners/children with severe or profound intellectual disabilities
Process for approval of 2027/28 business plans	• Meeting with provinces to review and discuss grant framework for the next financial year and receive input from provincial education departments by 30 September 2026 • DBE uses inputs from meeting with provincial education departments and drafts the grant framework by 31 October 2026 • Support grant manager to compile first daft business plans and provincial education departments submit first draft business plans to DBE for evaluation by 04 December 2026 • DBE evaluates draft provincial business plans and provides comments to provincial education departments to amend plans by 11 December 2026 • Provincial education departments submit amended plans by 16 January 2027 • Final comments sent to provincial education departments to amend by 10 February 2027 • Provincial education departments submit amended and signed-off plans to DBE by 15 March 2027 • DBE approves provincial business plans by 31 March 2027

Maths, Science and Technology Grant	
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 o 1 936 maths, science and technology schools 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 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 o 1 936 laboratories supplied with apparatus and consumables for mathematics, science and technology subjects in accordance with the minimum specifications including coding and robotics kits • Learner support o 55 000 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 • Teacher support o 2 500 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 o 2 000 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, coding and robotics, computer applications technology, information technology, agricultural management and technology subjects • Grant administration support 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 o administration staff appointed on a three-year contract
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities • Annual budget and resource allocation schedules • Monitoring and reporting • Risk management plan • Cash flow projections • Participating schools list (separate annexure)
Conditions	**Grant structure and allocations** • The grant is utilised on an interventional basis and is not a general grant for all schools • 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 • The grant will support a total of 1 936 schools across all provinces covering all mathematics, science and technology subjects from grades R - 12 • 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 • The allocations should be divided in accordance with the following guideline for Eastern Cape, Gauteng, Limpopo, and Mpumalanga: o 10 per cent for information communication technologies including coding and robotics resources o 40 per cent for the supply, (10 per cent allocated for repair/replacement and 10 per cent allocated for maintenance and 20 per cent allocated for procurement) of workshop machinery, equipment and tools for technical (including pilot schools for vocationally oriented curriculum) and agricultural schools

Maths, Science and Technology Grant	
	○ 20 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics. 10 per cent allocated for refurbishment and maintenance of laboratories ○ 12 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots ○ 11 per cent for learner support including learners in teaching mathematics for understanding pilot schools ○ 1 per cent for grant administration, monitoring, support and evaluation ○ 6 per cent for the DBE-Cuba mathematics, science and technology subjects support programme, including remuneration • The allocations should be divided in accordance with the following guideline for Free State, KwaZulu-Natal, Northern Cape, North West and Western Cape: ○ 10 per cent for information communication technologies including coding and robotics resources ○ 40 per cent for the supply (10 per cent allocated for repair/replacement and 10 per cent allocated for maintenance and 20 per cent allocated for procurement) of workshop machinery, equipment and tools for technical (including pilot schools for vocationally oriented curriculum) and agricultural schools ○ 25 per cent for laboratory equipment/apparatus, manipulatives and consumables including coding and robotics. 10 per cent allocated for refurbishment and maintenance of laboratories ○ 10 per cent for teacher support including teacher support for coding and robotics and vocationally oriented curriculum pilots ○ 14 per cent for learner support including learners in teaching mathematics for understanding pilot schools ○ 1 per cent for grant administration, monitoring, support and evaluation **Priorities** • 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 **Outputs** • 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 • 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 • 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 • 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 • 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 **Procurement** • 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 • 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 • 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 • 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: ○ priority should be given to schools classified in quintiles 1-3 ○ 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) ○ 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 ○ Schools achieving a minimum overall of 40 per cent per grade per subject in all MST Subjects will be supported maths, science and technology schools offering technical and agricultural subjects including pilot schools for vocationally oriented, coding and robotics curriculum ○ provinces should select schools with safety and security measures in place

Maths, Science and Technology Grant	
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
Past performance	**2024/25 Audited Financial Outcomes** • R443 million was allocated and transferred to provinces, R415 million (94 per cent) was spent by the end of the financial year
	2024/25 service delivery performance • ICT o 747 schools(31: Eastern Cape, 397: Free State; 71: Gauteng, 53: KwaZulu Natal, 0: Limpopo; 14: Mpumalanga;17 Northern Cape, 104: North West: and 60:Western Cape) were supplied with information, communication and technology (ICT) resources such as laptops, tablets and software for Maths, Science and Technology curriculum to support curriculum and teaching methodology at MST schools • Workshop equipment, machinery and tools o 336 schools (14: Eastern Cape; 57: Free State; 60: Gauteng 36: KwaZulu- Natal; 24: Limpopo; 63: Mpumalanga; 38: Northern Cape; 12: 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 • Laboratories and workshop equipment, apparatus and consumables o 4 804 schools (3 560: Eastern Cape; 248: Free State; 100: Gauteng; 98: KwaZulu-Natal; 83: Limpopo; 110: Mpumalanga; 490: Northern Cape; 81: North West; and 34: Western Cape) were supplied with consumables and subject related apparatus to support curriculum and practical teaching methodology at MST schools • Learner support o 430 274 learners (22 484: Eastern Cape; 14 210: Free State; 51 789: Gauteng, 58 176: KwaZulu-Natal; 111 350: Limpopo; 37 856: Mpumalanga; 24 795 Northern Cape; 84 413 North West and 47 153: Western Cape) were funded to participate in Maths and Science Olympiads including coaching and revision camps to improve learner preparedness for the NSC examinations • Teacher support o 27 439 Teachers: (2 058 Eastern Cape; 415: Free State; 796: Gauteng; 5 386: KwaZulu-Natal, 2 360: Limpopo; 10 509: Mpumalanga 1 652: Northern Cape; 4 153 North West; and 110: Western Cape) were trained during 2024/25 financial period
Projected life	• Grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R478 million; 2027/28: R497 million; and 2028/29: R512 million
Payment schedule	• 6 May 2026; 12 August 2026; 11 November 2026; and 3 February 2027
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Identify and analyse areas requiring support in mathematics, science and technology • Evaluate, approve and submit provincial business plans to National Treasury • Provide the administrative services for the grant (manage, coordinate, monitor and support programme implementation at all levels) • Develop and distribute planning, implementation, monitoring and evaluation guidelines and/or templates including minimum specifications for school resources • The transferring officer must develop centralised procurement processes that provinces can participate in • Ensure compliance with reporting requirements in line with the provisions of the 2026 Division of Revenue Act (DoRA) • Monitor implementation at provincial, district and school level on a quarterly basis or as and when required, in line with the grant framework • Evaluate the performance of the conditional grant and submit an evaluation report to National Treasury as per the requirements of the 2026 DoRA
	Responsibilities of provincial departments • Identify and analyse areas requiring support in mathematics, science and technology • Develop and submit approved business plans to DBE • Submit lists of schools to DBE as per the timeframes set in the grant framework • Develop and submit an approved procurement plan in line with the business plan targets by the end of the financial year • 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 • Manage and implement the programme in line with the 2026 DoRA and the Public Finance Management Act • 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 • Monitor and provide support to districts/regions, circuits and schools on a monthly and quarterly basis or as and when required • 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

Maths, Science and Technology Grant	
	• Evaluate the performance of the grant and submit evaluation reports to DBE within two months after the end of the financial year • Implement projects according to the approved business plan. Any deviation should be communicated in writing and approved by the transferring officer before implementation • Submit school's business plans to DBE by the end of June every year if funds are being transferred to schools
	Responsibilities of schools • Submit school's needs on mathematics, science and technology to the districts as required by the province • Submit school's business plans to provinces before funds can be transferred to schools • Submit quarterly mathematics, science and technology activity reports on equipment, machinery, consumables, maintenance, learner and teaching support material and training support • Submit learner performance data for all grades in mathematics, science and technology subjects to the district and grant manager • 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 • Receive funds from provincial departments of education and manage the procurement, delivery and payment processes where necessary • Participate in relevant structures that have been put in place to support implementation of the grant such as annual principals' meetings • 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 2027/28 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 2026 • The DBE team will meet to evaluate the consolidated business plans by 11 November 2026 • The comments on the business plans will be sent to provinces for amendments by 11 December 2026 • Provinces will be required to submit the provincially approved amended business plans to DBE by 24 February 2026, DBE will approve the final business plans by 31 March 2027

National School Nutrition Programme Grant	
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	• 19 800 schools that prepare nutritious meals for learners
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities • Risk management plan
Conditions	• Spending must be in line with national and provincial business plans • The budget allocation must be distributed in terms of the following weightings for both secondary and primary schools: o school feeding: minimum of 97 per cent o kitchen facilities, equipment and utensils: minimum of 0.3 per cent and not exceeding R10 million o administration: maximum of 2.5 per cent o nutrition education (including deworming and hygiene practices): maximum of 0.2 per cent • Minimum feeding requirements: o provide nutritious meals to learners in quintiles 1 - 3 primary and secondary schools, as well as identified special schools on all school days o provide nutritious meals to targeted learners in identified quintiles 4 and 5 schools in line with available resources 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 o pay honorarium of a minimum of R17.27 (R2 256) 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 o comply with approved food specifications and menu guidelines consisting of meals containing: starch, protein and fresh vegetable/fruit o breakfast porridge should be served in targeted schools as per provincial business plans o fresh vegetables/fruits must be served daily and vary between green, yellow and red o a variety of protein-rich foods must be served in line with approved menu options o processed chicken livers must be served in targeted schools once a week as per provincial business plans o grade 1 and 2 raw sugar beans must be packed separately from samp, not mixed in one packet 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 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 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 outlined in the NSNP Food Specifications o seasoning must be provided for all meals except on days when milk is served • Provinces must support and promote sustainable food production and nutrition education in schools in collaboration with social and business partners • Provinces must promote local economic empowerment, including procurement of fresh produce from smallholder farmers that are supported by the Department of Agriculture • 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: o feeding cost below the minimum requirements, provided the quality of meals is not compromised o reduction in the number of learners due to learner verification o number of learners that exceed the gazetted quintiles o breakfast porridge and chicken livers served as per available funding o serving of processed vegetables or fruit in remote areas 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 o reduced feeding during exams to enhance efficiency o deviation requests from approved business plan activities must be submitted to the transferring officer not later than 28 November 2026

National School Nutrition Programme Grant	
	• The flow of the first instalment of the grant depends upon receipt by the national Department of Basic Education (DBE) of submission of procurement process plans as well as quarterly performance (narrative and indicators) and financial reports • The flow of the December 2026 and the January 2027 instalments of the grant depends upon receipt by the DBE of submission of quarterly performance (narrative and indicators) and financial reports • Non-compliance with any of the above conditions may result in the withholding and subsequent stopping of budget transfers • 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 • 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 • The conditional grant framework enables the DBE to play an oversight role in the implementation of all NSNP activities in schools
Past performance	**2024/25 audited financial outcomes** • R9.8 billion was allocated and transferred to provinces, R9.8 billion (99.6 per cent) was spent
	2024/25 service delivery performance • 19 772 schools were provided with nutritious meals • Food Safety workshops were conducted across all provinces to raise awareness on proper food handling practices • 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	• 2026/27: R10.8 billion; and 2027/28: R11.3 billion; 2028/29: R11.8 billion
Payment schedule	• The payment schedule will be in line with respective provincial procurement models as follows: o provinces that transfer funds directly to all schools (Eastern Cape, Free State, North West and Northern Cape) receive five instalments as follows: 6 April 2026; 26 June 2026; 14 August 2026; 23 September 2026; and 4 December 2026 o provinces that procure from service providers on behalf of schools receive five instalments as follows: 6 April 2026; 17 July 2026; 14 August 2026; 18 October 2026; 23 January 2027 o the 14 August 2026 budget transfer is for kitchen facilities, equipment and utensils as per equipment specifications provided by the DBE 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** • Evaluate, approve and submit provincial business plans to the National Treasury • Guide the conceptualization and implementation of provincial procurement models to ensure achievement of outputs • Manage, monitor and support programme implementation in provinces and districts • Ensure compliance with reporting requirements and NSNP guidelines • Transfer funds to provinces in line with the approved payment schedule • Consolidate and submit quarterly performance reports to the National Treasury within 45 days after the end of each quarter • 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 • Develop and submit approved business plans to DBE with the following: o procurement process plans for equipment and utensils, including refrigeration o current service provider Service Level Agreements (SLA) for records as well as any required additional procurement related information (only for provinces procuring via tenders) o implementation plans outlining how 10 per cent of the NSNP fresh produce would be sourced from smallholder farmers o a signed compliant protein product list that is guided by DBE's and Food Specifications • Monitor and provide support to districts/circuits and schools • Manage and implement the programme in line with the 2026 Division of Revenue Act and the Public Finance Management Act • Provinces must update databases on kitchen facilities (specifying those with certificates of acceptability), equipment and utensils • 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

National School Nutrition Programme Grant	
	• Consult districts on the development and implementation of their provincial business plans • Provide oversight for districts to develop and implement monitoring and evaluation plans • Provide human resource capacity at all relevant levels • Evaluate the performance of the conditional grant annually and submit evaluation reports to the DBE two months after the end of the financial year • 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 • Provinces that are transferring funds to schools are required to reconcile expenditure by schools against budget transfers on a quarterly basis
	Responsibilities of districts • Monitor and support schools • Implement monitoring and evaluation plans • 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 • Coordinate all NSNP activities in the district
	Responsibilities of schools • Implement the programme in line with the conditions of the NSNP framework • Submit reports to districts as per the provincial reporting requirements, i.e. performance and expenditure reports in provinces that are transferring funds to schools • Safeguarding of programme resources, i.e. cooking facilities, equipment and utensils
Process for approval of 2027/28 business plans	• First inter-provincial meeting during the first quarter • Consultation with district officials, provincial treasuries, provincial finance sections and the National Treasury on business plans in June 2026 • Provinces submit first draft business plans to the DBE by 31 July 2026 • DBE evaluates first draft business plans and sends comments to provinces by 28 August 2026 • Provinces submit final approved business plans and requisite attachments to DBE by 11 December 2026 • The transferring national officer to approve national and provincial business plans by 31 March 2027

School Infrastructure Backlogs Grant	
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 • Provision and upgrading of water and sanitation to schools • Provision and upgrading of classrooms to address overcrowding
Outcome statements	• Improved access to enabling learning and teaching environments • Build the capacity of provinces benefiting from an indirect grant allocation to carry out this function in the future
Outputs	• Final accounts for the accelerated school infrastructure delivery initiative and sanitation appropriate for education projects • Section 42 transfer of assets developed under the accelerated school infrastructure delivery initiative and sanitation appropriate for education • Update of infrastructure information on the national education infrastructure system/education facilities management system
Outcome(s) of government that this grant primarily contributes to	• Outcome 13: Improved education outcomes and skills
Details contained in the business plan	• This grant uses an infrastructure programme management plan that includes the following: o institutional framework o procurement and contract management plan o scope management o time management plan o cost management plan o risk management plan o quality management plan o monitoring and reporting details o budgeting and programme accounting details o performance management plan 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 • DBE must submit to National Treasury an infrastructure programme management plan by 12 February 2026 • Programme governance will be conducted by the following committees established to ensure that various processes are initiated within the programme: o national steering committee o technical committee o project steering committee o infrastructure bid specification and evaluation committee o infrastructure bid adjudication committee • 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 • DBE must load all infrastructure funded projects in the infrastructure reporting model before the start of the financial year (1 April 2026) • 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 • 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 • 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 • The DBE must agree in writing with the provinces on projects that they will administer on behalf of each province • DBE and/or implementing agents must ensure skills transfer takes place as part of the implementation of projects • 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 • Final allocations will be based on the finalised infrastructure programme management plan of the DBE as approved by the transferring officer
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

School Infrastructure Backlogs Grant	
	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	**2024/25 audited financial performance** • Allocated R1.8 billion of which R1.7 billion (94 per cent) was spent by the end of the financial year
	2024/25 service delivery performance • 1 new school built, 8 schools provided with water, 152 schools provided with sanitation, 67 classrooms (overcrowding) were provided and nil schools provided with electricity (electricity sub-programme has been completed)
Projected life	• This grant comes to end in 2027/28
MTEF allocations	• 2026/27: R448 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** • Undertake planning of processes, activities, and accelerated school infrastructure delivery initiative programme policies required to realise the outputs and identify required resources • 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 • 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 • DBE must report infrastructure projects implemented with voted funds in the national infrastructure reporting model within 22 days after the end of the quarter • Harness the opportunities offered through the programme to contribute towards skills development • 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 • DBE will convene and chair meetings of the national steering committee which will: o provide strategic direction to the accelerated school infrastructure delivery initiative programme o provide general oversight on the programme 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 o ensure that standards are in line with different prescripts e.g. norms and standards for school infrastructure are adhered to o facilitate the establishment of sub-programme management, their membership, reporting modalities and their interaction with the steering committee o establish the modalities linking the targeted provincial education departments with DBE o supervise the programme and ensure appropriate coordination and cooperation between different agencies and departments involved 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 o ensure accelerated school infrastructure delivery initiative strategies and targets are in line with national goals and targets o monitor progress in terms of national goals and targets o assist the management of the programme in solving particular issues that may arise and that may require the intervention of the committee o report to the Minister of Basic Education, the Council for Education Ministers, the heads of education departments committee, and senior management • DBE must ensure that a programme and project management system is in place for planning, management and monitoring of infrastructure delivery • The grant may be transferred to provinces to address overcrowding in schools • Develop a sector procurement strategy and procurement strategy for this grant in terms of the practice guide prescribed by the infrastructure delivery management toolkit • 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 • Submit an approved infrastructure programme management plan including projects list to the National Treasury • Ensure compliance with reporting requirements and adherence to projected cash flow schedules • Consolidate and submit quarterly reports to National Treasury and the National Council of Provinces within 45 days after the end of each quarter • Conduct site visits to selected projects to assess performance • Create the necessary organisational structures and build capacity within the department to oversee and monitor the implementation of the grant • DBE must ensure that the heads of education departments committee meets at least once a month and

School Infrastructure Backlogs Grant	
	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 • Provide an operations and maintenance manual to the provincial education departments • 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 • Provide the list of schools to be included in the accelerated school infrastructure delivery initiative programme and sanitation appropriate for education • Ensure that the list of schools identified includes all the schools that never had basic sanitation, water and electricity • 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 • Establish provincial planning and monitoring teams that will provide support to the DBE when implementing projects funded by this grant • Monitor projects implemented at their respective provinces • Convene the provincial planning and monitoring teams and report to the national steering committee • Generate a maintenance plan from the operations and maintenance manual provided
Process for approval of 2027/28 business plans	• Not applicable as this grant would have ended

COOPERATIVE GOVERNANCE GRANT

Provincial Disaster Response Grant	
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 • Emergency provision of critical goods and services
Outcome(s) of government that this grant primarily contributes to	• Outcome 10: Reduced poverty and improved livelihoods
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: 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) o documentation linked to Sections 56 and 57 of the same Act 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 o number of people, households, livestock and infrastructure affected and the extent of damages and losses o sectors affected o total funds required for disaster response and relief measures o resources (both financial and in-kind) allocated by the province to respond and mitigate the effects of the disaster o resources (both financially and in-kind) committed by other role players, including municipalities, national departments, state owned entities and non-government organisations o the affected provincial sector department must indicate funds spent or contributed towards dealing with the disaster o support received from non-government organisations and businesses or any other stakeholder o cost-benefit analysis of the projects to be implemented • An implementation plan with the following: o details of the projects to be repaired including Global Positioning System (GPS) coordinates o estimated total costs of the projects o asset register of all the projects to be repaired reflecting the condition of the asset o consolidated projects cash flow over six-month period as an annexure to the implementation plan o technical report (high level that explains technical solution, viability and practicality) o maintenance plan and resourcing of the infrastructure to be repaired • An application for funding may be based on the rapid assessment • 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 • 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 • 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 or to be paid • 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 • Funds may only be used in line with the approved business plan by NDMC. Any requests for amendments to the business 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 • 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 • 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 • 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	
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	**2024/25 audited financial outcome** • R149 million was transferred to provincial sector departments, however the money was transferred back by the provincial treasuries of Limpopo, Eastern Cape, Mpumalanga and KwaZulu Natal
	2024/25 service delivery performance • Not applicable
Projected life	• This grant is expected to continue over the medium-term subject to review
MTEF allocations	• 2026/27: R157 million; 2027/28: R164 million; and 2028/29: R169 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** • 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 requests from the sector departments through the PDMCs and when all grant conditions have been met • Request the support of the relevant national sector departments to prevent duplication of support and resources • 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 • Provide National Treasury with written notification of the transfer within 14 days of a transfer of the grant • Submit financial report to National Treasury within 20 days of the end of each month • 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 • Together with the PDMC, monitor the implementation of disaster funded projects
	Responsibilities of Provincial Disaster Management Centres • Together with the affected provincial departments, conduct rapid assessments of disaster impacts to verify the applications for initial funding within 14 days following the classification of a disaster • 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 • Request support from the relevant provincial sector departments to prevent duplication of support and resources • Submit requests for disaster funding on behalf of sector departments, monitor projects and provide reports to the NDMC, and provincial treasury • Provide financial reports to NDMC within 15 days of the end of each month • 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 • The PDMC should activate a project task team comprising of the affected provincial sector departments and other relevant role players • Establish provincial project steering committees to coordinate the monitoring and reporting of implementation of projects
	Responsibilities of provincial sector departments • Conduct damage assessment and costing of emergency repair work • Together with required supporting documentation, submit disaster assessment reports and funding requests signed-off by the Accounting Officer or delegated official to the PDMC within 14 days following the classification of a disaster • Consult with the relevant national sector departments and provincial treasury for support on existing resources to address the disasters • 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 • Notify provincial treasury of all requests for funding submitted • Invoke emergency procurement processes to implement immediate disaster response and relief projects • Activate a provincial departmental task team to monitor, report and evaluate the impact of projects • Monitor implementation of projects and report on their impact • 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 • 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 • Sector departments to submit the relevant contingency plans
	Responsibilities of national sector departments • Provide support and guidance in resource mobilisation to provincial sectors before a funding request is lodged to the NDMC through the PDMC • Provide support and guidance to provincial sector departments and NDMC regarding line function related matters on assessments and costing verifications • Sector departments to submit the relevant contingency plans • Provide support and guidance to provincial sector departments and the NDMC in the preparation of funding

Provincial Disaster Response Grant	
	requests • 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 with the grant framework and relevant guidelines • Monitor through site visits, report and evaluate implementation of projects by provincial sectors • Activate an internal departmental task team to monitor, report and evaluate the impact of projects
Process for approval of 2027/28 business plans	• Not applicable

HEALTH GRANTS

District Health Programmes Grant	
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 • To improve access to community based primary health care services through ward based primary health care outreach teams • There are two components to this grant that allow for the achievement of the stated strategic goal: o comprehensive HIV/AIDS component (with a separate framework) 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 • To enable the health sector to develop and implement an effective response to TB • 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 (HPV) vaccinations to all eligible girls aged 9-15 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
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
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	**2024/25 audited financial performance** • As specified in the two component frameworks
	2024/25 service delivery performance • As specified in the two component frameworks
Projected life	• As specified in the two component frameworks
MTEF allocations	• 2026/27: R29.5 billion; 2027/28: R30.8 billion; and 2028/29: R31.8 billion, of which the two components are allocated: o comprehensive HIV/AIDS component: 2026/27: R26 billion; 2027/28: R27.1 billion; and 2028/29: R28 billion o district health component: 2026/27: R3.6 billion; 2027/28: R3.7 billion; and 2028/29: R3.8 billion
Payment schedule	• Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • As specified in the two component frameworks
	Responsibilities of provincial departments • As specified in the two component frameworks
Process for approval of 2027/28 business plans	• As specified in the two component frameworks

District Health Programmes Grant: Comprehensive HIV/AIDS Component	
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 (STIs) and tuberculosis (TB)
Grant purpose	• To enable the health sector to develop and implement an effective response to HIV/AIDS • Prevention and protection of health workers from exposure to hazards in the workplace • 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 • Improved quality of HIV/AIDS response through provision of access to prevention, treatment, care and support services • Improved coordination and collaboration in the TB response between national and provincial governments • 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 • Total number of patients on antiretroviral therapy remaining in care • Number of male condoms distributed • Number of female condoms distributed • Number of infants tested through the polymerase chain reaction test at 10 weeks • Number of clients tested for HIV (including antenatal) • Number of medical male circumcisions performed • Number of clients started on pre-exposure prophylaxis • Number of HIV positive clients initiated on TB preventative therapy • Number of TB contacts initiated on TB preventive treatment (under five years and five years and older combined) • Number of patients tested for TB using TB nucleic acid amplification test • Number of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay • Drug sensitive TB treatment start rate (under five years and five years and older combined) • Rifampicin resistant confirmed treatment start rate
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities
Conditions	• The following priority areas must be supported through the grant: o antiretroviral therapy related interventions o care and support o condom distribution and high transmission area interventions o prevention of mother to child transmission o post-exposure prophylaxis and pre-exposure prophylaxis o programme management strengthening o advocacy, communication and social mobilisation o regional training centres o HIV counselling and testing o medical male circumcision o TB prevention o screening and testing people for TB o linkage to TB treatment o retention on TB treatment
Allocation criteria	• Allocations are based on antenatal HIV prevalence, estimated share of AIDS cases and population numbers post-demarcation • 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 • 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	**2024/25 audited financial performance** • HIV/AIDS component: allocated and transferred R24.7 billion to provinces of which R24.8 billion (101 per cent) was spent by provinces by the end of the national financial year • TB component: allocated and transferred R503 million to provinces, of which R503 million (100 per cent) was spent by provinces
	2024/25 service delivery performance • HIV/AIDS component: o 345 716 new patients that started on antiretroviral therapy o 5.6 million patients on antiretroviral therapy remaining in care

District Health Programmes Grant: Comprehensive HIV/AIDS Component	
	○ 663 million male condoms distributed ○ 22 million female condoms distributed ○ 137 717 infant polymerase chain reaction tests around 10 weeks ○ 18 million clients tested for HIV (including antenatal) ○ 553 991 medical male circumcision performed ○ 254 770 patients on antiretroviral therapy initiated on isoniazid preventative therapy • TB component ○ 2.5 million patients tested for TB using gene xpert ○ 147 783 eligible HIV positive patients tested for TB using urine lipoarabinomannan assay ○ 97.7 per cent drug sensitive TB treatment start rate (under five years and five years and older combined) ○ 80.8 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	• 2026/27: R26 billion; 2027/28: R27.1 billion; and 2028/29: R28 billion
Payment schedule	• Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Visit provinces twice a year to monitor implementation and provide support • Report to the National Treasury on an additional set of indicators on progress against the 95-95-95 targets • Meet with National Treasury to review grant performance twice a year
	Responsibilities of provincial departments • 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 • Clearly indicate measurable objectives and performance targets as agreed with the national department in the provincial departmental business plans for 2026/27 and over the medium-term expenditure framework period
Process for approval of 2027/28 business plans	• Submission of draft business plans to the national Department of Health by 30 October 2026 • Submission of final business plans to the national Department of Health by 26 February 2027 • Submission of final business plans to the National Treasury by 31 March 2027

District Health Programmes Grant: District Health Component	
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 • To enable the health sector to prevent cervical cancer by making available Human Papillomavirus (HPV) vaccinations to all eligible girls aged 9 -15 years with a single dose of HPV vaccine in all settings • 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 • To enable the health sector to prevent cervical cancer by making available HPV vaccinations to all eligible girls aged 9 -15 years with a single dose of HPV vaccine in all settings • 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 • 90 per cent of girls aged 9 -15 years are vaccinated with a single dose of HPV vaccine in all settings • 90 per cent of schools with eligible girls reached with a single dose during the multi-aged cohort campaign and in all settings • Progressive integration of HPV vaccinations into the expanded programme on immunisation • 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: o number of malaria-endemic municipalities with 95 per cent or more indoor residual spray coverage o percentage of confirmed malaria cases notified within 24 hours of diagnosis in endemic areas o percentage of confirmed malaria cases investigated and classified within 72 hours of notification o percentage of identified health facilities with recommended malaria treatment in stock o percentage of identified health workers trained on malaria elimination o percentage of population reached through malaria information education and communication on malaria prevention and early health-seeking behaviour interventions o percentage of vacant funded malaria positions filled as outlined in the business plan o number of malaria camps refurbished and/or constructed • HPV vaccination: o 90 per cent of girls aged 9 -15 years are vaccinated with a single dose of HPV vaccine in all settings o 90 per cent of schools with eligible girls reached with a single dose during the multi-aged cohort campaign and in all settings • Community outreach services: o number of community health workers receiving a stipend o number of community health workers trained o number of HIV clients lost to follow-up traced o number of TB clients lost to follow-up traced o number of households 1st and follow-up visits conducted
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities
Conditions	The following priority areas must be supported through the grant: • Programme management strengthening for malaria elimination through hiring of staff for approved malaria posts • Establishment of malaria response core groups or teams • Malaria elimination acceleration strategies o implementation of activities under the foci clearing programme o malaria drug efficacy and resistance monitoring o malaria insecticide resistance monitoring o implementation of genomic surveillance o implementation of the environmental health practitioner test and treat • Malaria surveillance, prevention and treatment o mobile active testing units o testing and treating through active testing in the community o health promotion activities which address indoor residual spraying importance o health promotion activities to promote preventative measures, such as the use of chemoprophylaxis to be taken during travel to endemic areas and treatment seeking behavior • Malaria vector control o entomological surveillance during routine surveillance and foci investigations o indoor residual spraying

<table>
<tr><th colspan="2">District Health Programmes Grant: District Health Component</th></tr>
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integrated vector management activities
improvement of indoor residual spray camp infrastructure

Provinces must maintain funding for malaria from their equitable share at 2016/17 levels, as adjusted for inflation
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
Social mobilisation to promote the uptake of the HPV vaccination to prevent cervical cancer should be done as part of the expanded programme on immunisation
The grant must be used for the implementation of the ward based primary health care outreach teams policy framework and strategy
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
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
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
The following is the allocation for all the programmes funded from this grant:

<table>
<tr><th></th><th>HPV vaccination</th><th>Malaria</th><th>Community Outreach Services</th></tr>
<tr><td>o Eastern Cape:</td><td>R46 million</td><td></td><td>R222 million</td></tr>
<tr><td>o Free State:</td><td>R16 million</td><td></td><td>R164 million</td></tr>
<tr><td>o Gauteng:</td><td>R38 million</td><td></td><td>R614 million</td></tr>
<tr><td>o KwaZulu-Natal:</td><td>R62 million</td><td>R20 million</td><td>R698 million</td></tr>
<tr><td>o Limpopo:</td><td>R38 million</td><td>R79 million</td><td>R448 million</td></tr>
<tr><td>o Mpumalanga:</td><td>R24 million</td><td>R33 million</td><td>R346 million</td></tr>
<tr><td>o Northern Cape:</td><td>R6 million</td><td></td><td>R120 million</td></tr>
<tr><td>o North West:</td><td>R18 million</td><td></td><td>R314 million</td></tr>
<tr><td>o Western Cape:</td><td>R 27 million</td><td></td><td>R236 million</td></tr>
</table>

The above allocations must be linked to an objective segment on the basic accounting system
Approval to shift funds between programmes is vested with the transferring officer and should be communicated with National Treasury

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<tr><td>Allocation criteria</td><td>

Allocations are based on malaria incidence and provincial equitable share allocations in endemic provinces, the number of girls aged 9 - 15 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

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<tr><td>Reasons not incorporated in equitable share</td><td>

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
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
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

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<tr><td rowspan="2">Past performance</td><td>
2024/25 audited financial outcomes

Malaria: allocated and transferred R119 million to provinces, of which R119 million (100 per cent) was spent by the end of the financial year
HPV vaccination: allocated and transferred R249 million to provinces, of which R233 million (94 per cent) was spent by the end of the financial year
Community Outreach Services: allocated and transferred R2.8 billion to provinces, of which R2.8 billion (100 per cent) was spent by the end of the financial year

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2024/25 service delivery performance

Malaria:

13 out of the 17 targeted municipalities reached above 95 per cent of the indoor residual spray coverage
62 per cent of all the confirmed cases were notified with 24 hours of diagnosis in the endemic districts
90 per cent of the confirmed cases were investigated and classified within 72 hours in the endemic districts
100 per cent of identified health facilities had the recommended treatment in stock
127 per cent of all identified health workers trained on malaria elimination
110 per cent of the population were reached through malaria information education and communication campaigns
63 per cent of vacant funded malaria positions were filled
3 malaria camps were refurbished and/or constructed

HPV vaccination:

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
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 in public, special, private and independent schools

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District Health Programmes Grant: District Health Component	
	○ the national advisory group for immunisation recommended the one dose vaccines to all girls. For the 2024/25 financial year HPV vaccination campaign, 88 per cent of girls in public, special, private and independent schools were vaccinated with only one dose • Community Outreach Services: ○ 36 858 community health workers receiving stipend ○ 17 324 community health workers trained ○ 851 227 HIV defaulters traced ○ 63 417 TB defaulters traced ○ 14 million households 1st and follow-up visits conducted (new indicator)
Projected life	• Grant will continue until 2028/29, subject to review
MTEF allocations	• 2026/27: R3.6 billion; 2027/28: R3.7 billion; and 2028/29: R3.8 billion
Payment schedule	• Monthly instalments based on the approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Visit provinces twice a year to monitor implementation and provide support • Report to the National Treasury on an additional set of indicators if and when agreed upon between the two departments • Meet with National Treasury to review grant performance twice a year • Manage the contracts for HPV vaccines and the supporting information systems • Monitor and support provincial planning and implementation and reporting • Strengthen the capacity of provinces to deliver the HPV vaccination programme • Submission of quarterly reports to the National Treasury as prescribed by the 2026 Division of Revenue Act (DoRA) and monthly expenditure with variance explanations in terms of the Public Finance Management Act • Approved business plans must be submitted by the national Department of Health (DoH) to National Treasury by 27 March 2026
	Responsibilities of provincial departments • The business plan, signed by the receiving officer and in the prescribed format, must be submitted to the transferring officer by 27 February 2026 • 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 • Provincial health departments must provide DoH with full and unrestricted access to all records and data related to the programme • Assign a dedicated official the responsibility for managing the grant and related components • Where possible, utilise existing human resource, transport capacity and training of all contracted personnel at all relevant levels and augment capacity where needed on a contractual basis • Provide a list of contracted non-governmental organisations that will provide services • Include the indicators in the provincial annual performance plans and ensure compliance with the 2026 DoRA • 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 2026 DoRA reporting for community outreach services
Process for approval of 2027/28 business plans	• Submission of a draft business plan to DoH by 30 October 2026 • Submission of final business plans to the DoH by 26 February 2027 • Submission of final business plans to National Treasury by 31 March 2027

Health Facility Revitalisation Grant	
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 • 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
Outcome statements	• Improved service delivery by provincial departments as a result of an enhanced and better quality of health services • Improved quality and quantity of well-maintained health infrastructure (backlog and preventative maintenance) • Improved rates of employment and skills development in the delivery of infrastructure • 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 • Number of hospitals constructed or revitalised • Number of facilities maintained or refurbished
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
Details contained in the business plan	• The business plan for this grant consists of the following: o the user-asset management plan for at least 10 years o infrastructure programme management plan over the 2026 medium term expenditure framework (MTEF) including a list of projects 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 • 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 • 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 • 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 • 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 • Provincial departments of health must enter into a service delivery agreement with their implementing agents • 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 • 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 • 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 • In 2026/27 the following amounts are allocated through the Budget Facility for Infrastructure for Belhar and Klipfontein Regional Hospitals in Western Cape. These funds may only be used for these projects and are subject to the conditions set out in the 2026 MTEF preliminary allocation letter to the Department of Health: o Belhar Regional Hospital: R88 million o Klipfontein Regional Hospital: R89 million
Allocation criteria	• Allocations for 2026/27 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	**2024/25 audited financial outcomes** • R7.1 billion available was transferred and spent by the provinces (100 per cent
	2024/25 service delivery performance • 47 primary health care facilities constructed or revitalised • 46 hospitals constructed or revitalised • 403 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 2026 MTEF
MTEF allocations	• 2026/27: R7.7 billion; 2027/28: R8.2 billion; and 2028/29: R8.4 billion

Health Facility Revitalisation Grant	
Payment schedule	• Transfers are made on a quarterly basis in accordance with a payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Coordinate and facilitate site visits • Attend quarterly provincial infrastructure progress review meetings with National Treasury • 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 • Capital transfers to provinces (planned, actual and revised) related to this conditional grant must be reported in the national infrastructure reporting model • Review if provinces comply with the framework for infrastructure procurement and delivery management • Issue guidelines on the capacitation process of infrastructure units, as well as the conditions attached to the utilisation of funds • National Department of Health (DoH) and National Treasury must jointly evaluate progress with capacitation of provincial infrastructure units and provide feedback to all provinces • 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 • Provincial departments must conduct regular site visits and hold progress review meetings with the relevant implementing agents • Annual implementation plans (which include an equipment list) signed-off by the head of department, sent to the DoH for approval by 27 February 2026 • The 2026 MTEF project list as captured in the annual implementation plan for both current and capital budgets should cover: o planned and unplanned maintenance of infrastructure, except day-to-day maintenance o renovations, upgrading and additions of infrastructure o new and replacement of infrastructure o health technology provision o quality assurance interventions linked to infrastructure projects • Provinces must submit to DoH quarterly reports for all projects funded in the 2026/27 financial year in this grant to the infrastructure reporting model through the project management information system • Provinces must report infrastructure projects and related infrastructure support funded through this conditional grant in the provincial infrastructure reporting model monthly and quarterly • 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 • 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 • 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 2027/28 business plans	• The process for approval for the 2027 MTEF will be in line with the performance-based incentive approach guidelines published by National Treasury and DoH • Submission of the user-asset management plan for 2027/28 to National Treasury and DoH by 26 June 2026 • Submission of the infrastructure programme management plan for 2027/28 to National Treasury and DoH by 28 August 2026 • Submission of the final 2027/28 project list aligned with the MTEF allocations and annual implementation plan by 26 February 2027

Human Resources and Training Grant	
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 • 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 • 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 • Clinical training and supervision capacity established in designated developmental provinces (Eastern Cape, Limpopo, Mpumalanga, Northern Cape, and North West) • 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 • Number and percentage of registrars' posts funded from this grant (per discipline) and other funding sources • Number and percentage of specialists' posts funded from this grant (per discipline) and other funding sources
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
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 • 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 • This grant has two components **Statutory Human Resources Component** • The statutory human resources component must only be utilised for funding of statutory posts **Training Component** • The training component must prioritise all registrar posts and the balance of the allocation may be utilised for specialist (supervisors) and other approved categories • Additional funds have been allocated for the developmental portion and the breakdown per province is as follows: o Eastern Cape: R10 million o Limpopo: R6 million o Mpumalanga: R5 million o Northern Cape: R4 million o North West: R5 million • 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: o provinces with greatest needs have been prioritised o number of statutory posts o future projections of professional production versus need • 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 • National coordination is needed for health science training • To ensure that the additional human resources funded through this component address unmet health needs as opposed to perpetuating historical allocation patterns • Allocation of medical interns and community service applicants is a national function
Past performance	**2024/25 audited financial outcomes** • Statutory Human Resources component: allocated and transferred R2.5 billion to provinces, of which R2.5 billion (100 per cent) was spent by the end of the financial year • Training component: allocated and transferred R2.9 billion to provinces, of which R2.9 billion (100 per cent) was spent by the end of the financial year
	2024/25 service delivery performance • 2 153 statutory medical intern's posts funded from this grant and other funding sources • 2 409 statutory community service posts funded from this grant and other funding sources • 2 042 registrars posts funded from this grant and other funding sources • 1 979 specialist posts funded from this grant and other funding sources
Projected life	• The grant is subject to review at the end of 2028/29. 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 2026/27: R6 billion; 2027/28: R6.2 billion; and 2028/29: R6.4 billion, of which o Statutory Human Resources component: 2026/27: R2.8 billion; 2027/28: R2.9 billion; and 2028/29: R3 billion o Training component: 2026/27: R3.2 billion; 2027/28: R3.3 billion; and 2028/29: R3.4 billion

Human Resources and Training Grant	
Payment schedule	• Monthly instalments as per approved payment schedule
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • National Department of Health (DoH) to submit approved business plans to the National Treasury by 27 March 2026 • Convene at least one annual meeting of national or provincial and facility programme managers • Monitor the number of health science trainers/clinical supervisors that are responsible for health science training on the public health service delivery platform • Conduct a minimum of one site visit to provinces and site visits to selected facilities on a rotational basis • Submission of quarterly financial and non-financial performance reports to National Treasury • Meet with National Treasury to review the performance of the grant twice a year
	Responsibilities of provincial departments • 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 2026 • Provinces are encouraged to maintain a separate budget for each benefiting facility/cluster • Monitor the implementation of the grant and report quarterly to DoH • 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 • All developmental provinces must ring-fence the developmental allocation and report on expenditure and implementation progress in their quarterly reports • To report on the number of clinical supervisors associated with clinical training and supervision of students, funded on the public health service delivery platform: o number of specialists o number of registrars o number of medical officers o number of clinical associates o number of postgraduates o number of clinical supervisors/trainers per category in nursing, emergency medical services and allied health and pharmacy o number of grant administration staff
Process for approval of 2027/28 business plans	• Draft business plans for 2027/28 must be submitted in the approved format by 30 October 2026 • Completion of an approved business plan, in the prescribed format, signed by each receiving officer by 26 February 2027 and the transferring officer by 31 March 2027

National Health Insurance Grant	
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 • Strengthen mental health care service delivery in primary health care and community-based mental health services • Improved forensic mental health services
Outputs	**Health Professionals Contracting** • Number of health care providers contracted • Number of sessions covered by contracted health care providers **Mental Health** • 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) • Number of users seen by the contracted mental health care providers • Number of forensic mental observations conducted by the contracted mental health care providers
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
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 • Key activities and resources funded by the grant • Contracting models • Indicators and targets for each quarter. Indicators and targets must be aligned to the different health care providers contracted • Monitoring and evaluation framework • Risk management plan • Cash flow requirements • 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 • All health care providers contracted must primarily render direct patient clinical interventions • The funding from this grant should be used to: 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 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 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 • The following amounts are allocated for contracting health care providers and mental health: **Health Care Providers Contracting** / **Mental Health** o Eastern Cape: R44 million / R21 million o Free State: R21 million / R9 million o Gauteng: R54 million / R45 million o KwaZulu-Natal: R54 million / R37 million o Limpopo: R35 million / R20 million o Mpumalanga: R21 million / R15 million o Northern Cape: R21 million / R4 million o North West: R21 million / R13 million o Western Cape: R20 million / R19 million • 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 • 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 o historical allocations o user and provider needs o number of health care providers contracted

National Health Insurance Grant	
	○ number of patients reported ○ 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	**2024/25 audited financial outcomes** • Of the R456 million made available for the grant, R447 million (98 per cent) was spent
	2024/25 service delivery performance • 389 health care providers contracted • 417 467 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	• 2026/27: R475 million; 2027/28: R497 million; and 2028/29: R513 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** • Provide oversight and support to provincial departments to ensure achievement of the grant outcomes • Submission of quarterly financial and non-financial performance reports to the National Treasury • Business Plans must be submitted to National Treasury by 3 April 2026
	Responsibilities of provincial departments • Facilitate the achievement of grant outputs • Ensure that the provision and funding of existing programmes and services continues and is not substituted by the implementation of this grant • 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 • Contract management must be done internally by the receiving officers • Receiving officers must perform adequate monitoring and evaluation of the programme • Submission of quarterly financial and non-financial performance reports to the transferring officer not later than 30 days after the end of the quarter • 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 2027/28 business plans	• Provinces must submit a draft business plan to the transferring officer by 30 October 2026 • Provinces must submit a final approved business plan to the transferring officer by 26 February 2027 • Submission of approved business plan by the transferring officer to the National Treasury by 31 March 2027

National Health Insurance Indirect Grant	
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 • To achieve universal health access through the phased implementation of NHI and to improve access to quality health care services • To ensure appropriate health infrastructure that is in line with national and provincial policy objectives • This grant has two components: o health facility revitalisation component 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 • To enhance capacity and capability to deliver infrastructure for NHI • 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 NHI • 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 health care providers
Outcome statements	• As specified in the two component frameworks
Outputs	• As specified in the two component frameworks
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
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	**2024/25 audited financial outcome** • As specified in the two component frameworks
	2024/25 service delivery performance • 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	• 2026/27: R2.6 billion; 2027/28: R2.6 billion and 2028/29: R2.7 billion of which the two components are: o health facility revitalisation component: 2026/27: R1.7 billion; 2028/29: R1.7 billion and 2028/29: R1.8 billion o health systems component: 2026/27: R816 million; 2027/28: R849 million and 2028/29: R875 million
Payment schedule	• As specified in the two component frameworks
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • As specified in the two component frameworks
	Responsibilities of provincial departments • As specified in the two component frameworks
Process for approval of 2027/28 business plans	• As specified in the two component frameworks

National Health Insurance Indirect Grant: Health Facility Revitalisation Component	
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) • To enhance capacity and capability to deliver infrastructure for NHI • To accelerate the fulfilment of the requirements of occupational health and safety
Outcome statements	• Appropriate procurement of service providers for infrastructure delivery for NHI • Improved spending, performance, monitoring and evaluation of infrastructure projects for NHI • Improved employment and skills development in the delivery of infrastructure for NHI • Value for money and cost-effectively designed facilities in line with the framework for infrastructure delivery and procurement management • Improved patient experience of care
Outputs	• Number of primary health care facilities constructed or revitalised • Number of hospitals constructed or revitalised • Number of facilities maintained, repaired and/or refurbished
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
Details contained in the business plan	• The infrastructure programme management plan for the 2026 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 2026 and will include the following: o costed project lists with annual cash flow projections per project for the full duration of the projects on the programme o projected milestones per project for framework for infrastructure delivery and procurement management control framework stages indicating current stage of the project 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 2026 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 • Should there be an amendment to an existing protocol agreement, the amended agreement should be submitted to the National Treasury by 31 March 2026 • 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 • With all new projects, DoH must comply with the framework for infrastructure delivery and procurement management processes • 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 • 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 • 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 • Appropriately qualified built environment representatives from the national department must assist in the procurement of professional service providers and contractors by its implementing agent • 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 2026 Appropriation Act • All completed projects must have a close-out report with a documented maintenance plan • 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 • An amount of R550 million is allocated to through the Budget Facility for Infrastructure (BFI) for the construction of the Limpopo Academic Hospital in 2026/27. The amount earmarked for Limpopo Academic Hospital may only be used for this project and is subject to the conditions set out in Annexure B of the 2018 MTEF allocation letter of the DoH • An amount of R259 million is allocated through the Budget Facility for Infrastructure for the construction of the Siloam District Hospital in Limpopo in 2026/27. The amount earmarked for Siloam District Hospital may only be used for this project
Allocation criteria	• Allocations for 2026/27 are project based • Allocation is dependent on the existence of a signed and agreed to implementation protocol agreements • 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	**2024/25 audited financial outcomes** • Allocated R1.4 billion, of which 97 per cent was spent by the end of the financial year (including the earmarked allocation for Limpopo Academic Hospital)

National Health Insurance Indirect Grant: Health Facility Revitalisation Component	
	2024/25 service delivery performance • Completion of Tshilidzini Neonatal
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 2026 MTEF, subject to review
MTEF allocations	• 2026/27: R1.7 billion; 2027/28: R1.7 billion; and 2027/28: R1.8 billion
Payment schedule	• Estimated monthly cashflow forecast available on all projects implemented through the grant • Monthly payments made according to verified and approved invoices from the service 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** • Build and demonstrate the capacity necessary to manage this grant • Ensure alignment between the infrastructure programme management plan and the annual performance plan • Undertake the infrastructure development cycle as per the framework for infrastructure delivery and procurement management • Convene progress review committees with appropriate reporting and invite National Treasury and provinces • DoH must maintain an up-to-date database (project management information system), with all contracts that are fully or partially funded by this grant • DoH must report infrastructure projects implemented with voted funds in the national infrastructure reporting model within 22 days after the end of the quarter • Collaboration and coordination with provincial departments of health for the full development cycle of infrastructure development in respect of projects funded by this grant • 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 • 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 • Provide provincial departments of health with progress of the projects under this grant for inclusion in provincial annual reports • 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 • 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 • 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 • Be responsive and time conscious in the review and validation of project deliverables on the critical path of the projects undertaken through the grant • Ensure that sufficient budget is made available for the staffing, operationalisation and maintenance of facilities post works • Ensure that the completed projects are included in the asset registers of the provincial custodian of state-owned facilities • Undertake life cycle maintenance as well as the full operation, staffing and management of the facilities completed under this grant by the DoH • 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 • 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 2027/28 business plans	• Submission of a draft infrastructure programme management plan to the National Treasury by 30 October 2026 • Submission of the final infrastructure programme management plan to the National Treasury by 31 March 2027 • Submission of signed implementation protocol by 31 March 2027

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) • To strengthen the design of NHI through innovative testing of new reforms • To improve the quality of services at primary health care facilities • 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 • To develop and roll out new health information systems in preparation for NHI, including human resource for health information systems • 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 • To implement a quality improvement plan
Outcome statements	• Improved access to and quality of healthcare through: o expansion of the alternative dispensing and distribution model for chronic medication o improved quality health services in all primary health care facilities through the ideal clinic programme o building and implementation of the enterprise architecture design for national health insurance digital information systems o development and implementation of systems for medicines stock management and procurement o certification of all public health facilities by the Office of Health Standards Compliance (OHSC)
Outputs	• Alternative chronic medicine dispensing and distribution model implemented • Number of new and number of total patients registered in the programme, broken down by the following: o antiretroviral treatment o antiretroviral with co-morbidities o non-communicable diseases o number of pickup points (state and non-state) • Intern community service programme system maintained and improvements effected • Number and percentage of primary healthcare facilities peer reviewed against the ideal clinic standards • Number and percentage of primary healthcare facilities achieving an ideal status • Number of public health facilities implementing the health patient registration system • Number and percentage of the population registered on the health patient registration system • National data centre hosting environment for NHI information systems established, managed and maintained • Development and implementation of the master facility list policy • Number of primary healthcare facilities implementing an electronic stock monitoring system • Number of hospitals implementing an electronic stock management system • Number of fixed health establishments reporting medicines availability to the national surveillance centre • Number of quality learning centres established • Number of facilities improving their baseline OHSC scores (or other approved quality metrics) • Number of proof-of-concept contracting units for primary health care established • Number of engagements towards developing contracting units for primary health care • Number of frameworks drafted to enable strategic purchasing
Outcome(s) of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
Details contained in the business plan	• Input, output indicators and outcome indicators • Milestones with projected dates when this will be achieved • Description of how the project will be managed including the roles and responsibilities of national and provincial departments • Key activities and resource schedule • Monitoring and evaluation plan • 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 2026 and submitted to the National Treasury by 2 April 2026 • 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 • 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 • Ideal clinic allocation is based on the number of identified facilities and their needs in each province • 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 • 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	
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 • Ideal clinic is a key national priority and requires a systematic implementation to achieve quality health care services • 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	**2024/25 audited financial outcomes** • Of the R669 million made available, R530 million was spent (79 per cent) by the end of the financial year
	2024/25 service delivery performance • Alternative chronic medicine dispensing, and distribution model implemented • 8.9 million new and total patients registered in the programme broken down • 2.1 million antiretroviral treatments • 615 236 antiretroviral with co-morbidities • 789 003 non-communicable diseases • 2 912 pickup points (non-state) and 3 576 health establishments (state) rendering the central chronic medicines dispensing and distribution service • Peer review activity was replaced by peer review updates as there were no new facilities to enrol for peer reviews • 2 762 (80 per cent) of primary health care facilities achieving an ideal status against target of 2 700 • 3 265 primary health care facilities and 76 hospitals implementing the health patient registration system • 68.5 million individuals from the population registered on the health patient registration system • 3 311 primary health care facilities implementing an electronic stock monitoring system • 377 hospitals implementing an electronic stock monitoring system • National data centre hosting environment for NHI information systems established, maintained and operational • First phase of the national health information centre platform completed • 3 866 fixed health establishments reporting medicine availability to the national surveillance centre • 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	• 2026/27: R816 million; 2027/28: R849 million; and 2028/29: R875 million
Payment schedule	• Payments will be made according to verified invoices or in line with approved programme implementation plans from the service providers • 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** • To establish contracts with service providers for the delivery of goods and services as necessary in the four sub-components outlined above • 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 • Manage, monitor and support provincial programme planning and implementation • Meet with the National Treasury to review the performance of the grant on a quarterly basis • Strengthen the technical support to provinces to expand the programme • Strengthen the capacity of provinces to realise and maintain ideal clinic status • Maintain the ideal clinic and central chronic medicines dispensing and distribution software • Evaluate the impact of quality improvement activities and submit preliminary reports on progress to National Treasury and the Presidency by 29 July 2026 and 2 December 2026 and a final report by 31 March 2027
	Responsibilities of provincial departments • Facilitate the achievement of grant outputs • 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 • 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 • Ensure compliance with all reporting requirements and adherence to the provisions of service level agreements • 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.) • Include performance indicators related the four sub-components in the provincial annual performance plans • Provinces must develop draft implementation plans to assume responsibility for the centralised chronic medicines dispensing and distribution, ideal clinic and information systems • Submit quarterly performance reports to DoH
Process for approval of 2027/28 business plans	• Submission of the business plan signed by the transferring officer on 31 March 2027 to National Treasury

National Tertiary Services Grant	
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 • To compensate tertiary facilities for the additional costs associated with the provision of tertiary services
Outcome statements	• Modernised and transformed tertiary services that allow for improved access and equity to address the burden of disease • Accelerated modernisation of tertiary services (new services) in developmental provinces (Eastern Cape, Limpopo, Mpumalanga, Northern Cape and North West) • Accelerated oncology infrastructure (Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape and North West)
Outputs	• Number of inpatient separations • Number of day patient separations • Number of outpatient first attendances • Number of outpatient follow-up attendances • Number of inpatient days • Average length of stay by facility (tertiary) • Average length of stay by facility (psychiatry) • Bed utilisation rate by facility (tertiary) • Bed utilisation rate by facility (psychiatry)
Outcome of government that this grant primarily contributes to	• Outcome 12: Improved access to affordable and quality healthcare
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: o provincial and institutional budget allocations o tertiary services specifications (approved YES list) funded by the grant, by facility per province 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 o monitoring and reporting responsibilities o validation and revision of data o deviations or changes to tertiary services o referral responsibilities o approved business plan including details on the developmental portion of the National Tertiary Services Grant (NTSG), the modernisation of tertiary services portion and the oncology portion) o approved specialists funded from the grant (approved specialist detail list) o national guidelines on definitions of tertiary services that may be funded by the grant o description of the planned use of the NTSG developmental allocations (only provinces who receive these) 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 • 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 • An approved service specification requires the appointment of a Health Professionals Council of South Africa registered specialist and in accordance with a nationally approved business plan • Funds have been allocated for the developmental portion for five provinces. The breakdown per province is as follows: o Eastern Cape: R25 million o Limpopo: R12 million o Mpumalanga: R12 million o North West R25 million o Northern Cape: R12 million • All developmental provinces must ring-fence the developmental allocation and report on it quarterly • 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: o Eastern Cape: R96 million o Gauteng R25 million o KwaZulu-Natal: R9 million o Limpopo: R9 million o Mpumalanga: R9 million o Northern Cape: R9 million o North West: R60 million

National Tertiary Services Grant	
	• The allocation for the development of oncology infrastructure must be ring-fenced and reported on quarterly • The oncology subcomponent may be used in the following areas: o funds may be used for compensation of employees on start up oncology services for a limited period of up to two years, thereafter those personnel must be moved to the NTSG or alternative source of funding o funds may be used for the payment of professional fees at the start of the Oncology projects o funds may be used to procure equipment for the newly developed Oncology services, or to upgrade existing old equipment • Cost of administration of the grant must not exceed 1 per cent of the total grant allocation • The following amounts in the allocation to Gauteng are earmarked to fund the operations of the Nelson Mandela Children's Hospital: o 2026/27: R389 million o 2027/28: R377 million o 2028/29: R396 million • The allocation earmarked for the Nelson Mandela Children's Hospital for 2026/27 includes the allocation made for the development of oncology infrastructure and project related costs. 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 • 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 • 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	**2024/25 audited financial outcomes** • 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
	2024/25 service delivery performance • 705 161 inpatient separations • 679 489 day patient separations • 1.5 million outpatient first attendances • 3.4 outpatient follow up attendances • 6 million inpatient days • 7.6 average lengths of stay by facility (tertiary) • 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	• 2026/27: R16.7 billion; 2027/28: R17.4 billion; and 2028/29: R18 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 2026 and the second payment will be made in October 2026 based on evidence of satisfactory performance submitted to the DoH
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Approved business plans to be submitted to the National Treasury by 2 April 2026 • Monitor expenditure by economic classification, and patient activity and provide on-site support to facilities/complexes and provinces • Conduct a minimum of two site visits to provinces and a minimum of one site visit to facilities/complexes • Identify the national need for service delivery and facilitate the development of those services through business planning processes
	Responsibilities of provincial departments • Submission of an approved business plan, in the prescribed format, signed by the provincial head of department by 27 February 2026 • Completion of provincial and facility business plans, in the prescribed format, signed by the receiving officer and the benefiting institutions by 31 March 2026 (due date for Nelson Mandela Children's Hospital is 31 March 2026) • 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 2026 • Provinces must maintain a separate budget for each benefiting facility • 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 2026 • Conduct a minimum of two site visits to each budgeted facility/complex per annum and submit reports of these site visits to the DoH • Submission of updated specialist details funded by the equitable share and the grant at facility level by 30 November 2026 • Submission of service specifications funded at each facility (new YES list) by 30 November 2026 • Submission of quarterly reports in the approved expenditure areas in the prescribed format

National Tertiary Services Grant	
	• 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 • Provinces intending to develop a new service area need to submit a separate business plan outlining the investment case to DoH for approval • Provinces may request, in writing to the transferring officer, approval to amend their approved business plan. Requests must be submitted no later than 30 November 2026. This will be the only time that provinces can request amendments to their approved business plan. Revised plans will be approved or rejected by 18 December 2026
Process for approval of 2027/28 business plans	• Submission of draft business plans (provincial and facility) by 30 October 2026 • Completion of a business plan, in the prescribed format, signed by each receiving officer by 26 February 2027 and by the transferring officer by 31 March 2027

HUMAN SETTLEMENTS GRANTS

Human Settlements Development Grant	
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 • A functionally equitable and integrated residential property market • Enhanced institutional capabilities for effective coordination of spatial investment decisions • Tenure security for all recipients of government subsidised houses
Outputs	• Number of residential units delivered in relevant housing programmes • Number of serviced sites delivered in relevant housing programmes • Number of informal settlements upgraded in situ and/or relocated • Number of subsidies disbursed through First Home Finance • Number of title deeds registered to beneficiaries • Hectares of well-located land acquired and rezoned for development of housing opportunities • Number of socio-economic amenities delivered in human settlements • Number of integrated residential development projects registered on housing subsidy system, planned and approved, funded and implemented • Number of township registers opened in respect of pre and post 1994 title deeds backlog • Number of beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 title deeds backlog • Number of township establishments registered and declared • Number of ownership disputes logged and resolved in respect of pre and post 1994 title deeds backlog • Number of implementation programmes for priority housing development areas
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation
Details contained in the business plan	• Medium-term development plan targets and budgets • Project planning and implementation, including special housing needs aligned to the project readiness matrix • Annual and quarterly planned targets and budgets per project • Monthly cash flow projections (payment schedule) • 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) • Detailed project plans to be submitted for bulk infrastructure and socio-economic amenities as annexures • Title deeds project list addendum to the business plan in accordance with the compliance and reporting framework • Planned bulk infrastructure projects, budget and spending per province in a prioritised municipality with distressed mining communities • Professional fees and bulk infrastructure projects including details of planning activities to be undertaken • Number of job opportunities to be created • Implementation agreement between national, provincial and local government • 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) • Projects, targets and budgets in priority housing development areas • 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 • Provinces may utilise any of the stated outputs in the approved framework that are aligned to the sector standardised indicators and their annual performance plans. Provinces may request approval from the national department for exemption to deviate from sector standardised indicators, that are not planned for the financial year • 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) • 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

Human Settlements Development Grant	
	• 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 • 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 • Draft and final business plans must be aligned to provincial annual performance plans • Provinces may request, in writing to the transferring officer, approval to amend their approved business plan • When the business plan is adjusted, it must still align with the approved provincial annual performance plans • Provinces are allowed to shift budgets between projects in the business plan provided that: o no new projects are introduced into the business plan in-year without approval by the transferring officer o the delivery targets in the approved business plan are not reduced • The payment schedules must be derived and be aligned to the cash flows contained in the approved business plan • 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 2026/27 financial year • A minimum of 2 per cent of the grant may be allocated to programmes and projects for 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) • Provinces must prioritise implementation and completion of identified blocked projects • Provinces may utilise up to a maximum of 3 per cent of the provincial allocation for the operational capital budget programme to support the implementation of projects contained in the business plan • Provinces must indicate budget allocations consistent with provincial and related municipal backlogs for adequate housing • 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 • Provinces must gazette planned allocation for three years for the accredited municipalities in terms of section 12(6)(a) of the DoRA. 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 • 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 • 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: o projects must be contained in the integrated development plan of municipalities o the applicable land use regulatory approvals including but not limited to township establishment and environmental approvals o 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 o the long-term financial implications of the bulk infrastructure on municipal budgets o 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 o projects will be separately earmarked in a grant framework and presented as part of the Division of Revenue Bill o province and relevant municipality have signed a memorandum of understanding with regard to the construction, ownership, operations and maintenance of the infrastructure • The provision above is not applicable to distressed mining towns • Human settlements projects must be implemented in the gazetted priority human settlements and housing development areas • 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 • 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 • Land acquisition, assembly and audit should be informed and accompanied by the human settlements comprehensive plan developed by the municipalities • Provinces must agree with municipalities on a plan for the provision of basic services to all households served in new housing developments

Human Settlements Development Grant	
	• 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: o agreed deliverables supported by evidence o actual expenditure against the planned cash flows or the same period o compliance with the housing subsidy o cash flows for the remainder of the financial year
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	**2024/25 audited financial outcomes** • Of the R14 billion made available to provinces, R13.9 billion (99.9 per cent) was spent by the end of the financial year
	2024/25 service delivery performance • 38 453 housing units completed • 38 957 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	• 2026/27: R13.3 billion; 2027/28: R13.8 billion; and 2028/29: R14.3 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** • 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 • Develop a formal national bulk infrastructure planning framework in consultation with other sector departments, to guide sequencing, budgeting, and resource allocation across municipalities • Approve the final national and provincial business plans and issue national compliance certificates • Assess and make recommendations on the credibility of provincial business plans and the readiness of projects captured therein • 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 • Monitor provincial financial and non-financial grant performance and control systems related to the grant • Ensure provinces comply with the reporting requirements for the housing subsidy system in terms of frequency and quality of the input • Provide support to provinces and accredited municipalities with regard to human settlements delivery as may be required • Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities • Undertake structured and other visits to provinces and metropolitan municipalities as necessary • Submit an annual evaluation report for 2025/26 on the financial and non-financial performance of the grant to National Treasury by 31 July 2026 • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Provide systems including the housing subsidy system that support the administration of the human settlements delivery process • Comply with responsibilities of the transferring officer outlined in the 2026 DoRA • Ensure provinces only implement programmes that are contained in the approved business plans • 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 • Prioritise the finalisation of the White Paper on the Housing Policy and Strategy for South Africa
	Responsibilities of provincial departments • Provinces utilising other organs of state to implement projects on their behalf, must conclude implementation protocols • Submit 2025/26 annual evaluation reports to DHS by 29 May 2026 • Submit 2025/26 audited annual reports to DHS by 30 September 2026 • Prioritise funds in order to build houses for military veterans • 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 • Support accredited municipalities in carrying out delegated functions as per the accreditation framework • Provinces must utilise the housing subsidy system for the administration and related performance reporting of all the human settlement delivery programmes and processes

Human Settlements Development Grant	
	• 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 • 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 • Ensure effective and efficient utilisation of and access to the housing subsidy system by municipalities • Comply with the Housing Act, 2026 DoRA, National Housing Code and all applicable legislation • The monthly expenditure report, as contemplated in the 2026 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 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 • Monthly and quarterly financial and non-financial reports must be signed-off by both the provincial human settlements and provincial treasuries' heads of departments • Provinces should ensure alignment of the approved business plan with the signed infrastructure plans, gazetted allocations and transfers to accredited municipalities • Provinces should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule • Provinces must only utilise the grant funds to implement programmes and projects in the approved business plans • Provinces are allowed to implement the finance linked individual subsidy programme within the integrated residential reporting programme • Provinces should prioritise the revitalisation of the distressed mining towns programme within their funding • 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 Human Settlements Development Grant 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 • 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 • Provinces to align their business plans with provincial annual performance plans and infrastructure reporting model • After approval of rollover funds, provinces must submit an amended business plan with the rollover amount, and subsequent separate monthly progress reports on projects related to the approved roll-over • A province that is allocated additional funding or reallocated funds that have been stopped from another province, must submit a revised business plan and subsequent monthly progress reports on the use of the additional or reallocated funds • 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 • In addition to legislated reporting requirements, quarterly provincial reports must include: o the percentage of their allocations awarded to companies owned by designated groups on a quarterly basis o progress relating to blocked projects in line with the targets and expenditure as per the approved business plan o progress on performance on the implementation of asbestos removal o a quarterly report on the number of jobs opportunities to be created • Provinces must submit monthly reports that include the outcome or the effectiveness of the utilisation of the approved operational capital budget programme • Provinces must submit quarterly reports that record the performance of operational capital budget programme
Process for approval of 2027/28 business plans	• Draft consolidated provincial business plans for 2027/28 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 28 August 2026 • Submit final consolidated provincial business plans, project readiness matrix, multi-year housing development plan (including cash flow projections and compliance certificates for 2027/28 financial year) to the DHS by 5 February 2027

Informal Settlements Upgrading Partnership Grant: Provinces	
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 • A functionally equitable and integrated residential property market • Enhanced institutional capabilities for effective coordination of spatial investment decisions • 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): **Social Facilitation:** • Number of informal settlements where community compacts were conducted (from project initiation to implementation) **Phase 1** • Number of prefeasibility studies conducted • Number of informal settlements re-blocked **Phase 2** • Hectares of land acquired • Number of informal settlements benefitting from rudimentary services/interim municipal engineering services and/or any alternative technology • Number of engineering designs: water, sewer, roads and storm water drainage concluded • Number of layout plans approved **Phase 3** • Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services • Number of informal settlements supplied with bulk infrastructure projects • Number of serviced sites developed • Number of social and economic amenities. The specific types of amenities must only be provided in collaboration with the municipality and the community • Number of title deeds registered • Number of township establishments registered
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation
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 2026/27 financial year • 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 • 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: o project description o settlement name and Geographic Information System coordinates o project institutional arrangements o sustainable livelihood implementation plan o outputs and budgets o cash flow projections (payment schedule) o details of the support plan o risk management plan o prioritisation certificate issued by the MEC in consultation with relevant mayors o number of re-blocking projects to be undertaken o priority development areas • Number of job opportunities to be created • Detailed project plans to be submitted for bulk infrastructure projects • 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 • Provinces may utilise any of the stated outputs in the approved framework that are aligned to the sector standardised indicators and their annual performance plans. Provinces may request approval from the national department for exemption to deviate from sector standardised indicators, that are not planned for the financial year • All projects that are listed in the business plan must be ready for implementation, registered on housing subsidy system • Funds must be utilised as per the UISP as defined in the National Housing Code • The provincial informal settlements upgrading business plans must be aligned to the provincial informal settlement upgrading strategy

Informal Settlements Upgrading Partnership Grant: Provinces	
	• All projects in the approved business plans must be aligned with the integrated development plan and the spatial development framework of municipalities • Draft and final business plans must be aligned to provincial annual performance plans • 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 2026/27 financial year and will yield expenditure as per cashflows submitted • Provinces must indicate the amounts of their annual allocations for spending on the identified national priority projects • Provinces must prioritise the implementation of projects that are in the gazetted priority human settlements and housing development areas • Provinces must 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 • Land acquisition, and land assembly should be informed and accompanied by the human settlements comprehensive plan developed by the municipalities • The transfer of the first tranche of funds is conditional upon the 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) • 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 • 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 • The payment schedule submitted by provinces should be derived from the cash flows contained in the approved upgrading plans • 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 • The payment schedules must be derived and be aligned to the cash flows contained in the approved business plan whilst payment schedules submitted by municipalities should be derived from the cash flows contained in the approved upgrading plans • 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 • A maximum of 3 per cent of a province's allocation may be used for social facilitation applicable from inception to implementation • A maximum of 5 per cent of the annual allocation should be used for re-blocking • 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 • 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 • Provinces are allowed to shift budgets between projects in the business plan provided that: o no new projects are introduced into the business plan in-year without approval by the transferring officer o the delivery targets in the approved business plan are not reduced
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	**2024/25 audited financial outcomes** • R3.5 billion was made available to provinces, with 99.7 per cent spent
	2024/25 service delivery performance • Service delivery performance is indicated in the performance evaluation reports for 2024/25
Projected life	• This grant will continue until 2028/29, subject to review
MTEF allocations	• 2026/27: R1.9 billion; 2027/28: R2 billion; and 2028/29: R2 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** • Receive, assess and make determinations on the credibility of provincial informal settlements upgrading plans and the implementation readiness of projects captured therein • Develop a formal national bulk infrastructure planning framework in consultation with other sector departments, to guide sequencing, budgeting, and resource allocation across municipalities. • Submit an annual evaluation report for 2025/26 on the financial and non-financial performance of the grant to National Treasury by 31 July 2026 • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter

Informal Settlements Upgrading Partnership Grant: Provinces	
	• Maintain the policy and programme, and assist with interpretation of the policy, informal settlements upgrading business plans and individual upgrading plans • Develop a reporting template for provinces on the informal settlements upgrading partnership grant (ISUPG) grant outputs and publish it by 01 April 2026 • Monitor and evaluate provincial financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the ISUPG • Provide implementation assistance support to provinces as may be required • Undertake structured and other verification visits to projects as is necessary • Facilitate regular interaction between DHS and provinces • 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 31 July 2026 • Use the grant to leverage other forms of funding • Provide support to provinces and accredited municipalities with regard to human settlement delivery as may be required • Facilitate regular interaction between DHS and provincial departments of human settlements and accredited municipalities • The accounting officer must monitor the performance of the operational support capital programme to ensure adherence to the operational support capital programme prescripts
	Responsibilities of provincial departments • Should ensure collaboration and involvement of communities and civil organisations in the signing of implementation protocols for projects to be implemented • Submit 2025/26 annual evaluation reports to DHS by 29 May 2026 • 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 • Request assistance from the relevant national department on any of the matters concerned if the province lacks the capacity, resources or expertise • Must align their business plan with provincial annual performance plans and infrastructure reporting model in terms of section 13(1)(a) of this Act • Implement approved projects in accordance with UISP in the National Housing Code • Work with municipalities to fast track the planning approval processes for informal settlements upgrading projects • Agree with municipalities on how settlement areas developed under this programme will be managed, operated and maintained • Coordinate with municipalities and facilitate the provision of bulk and connector engineering services • Should ensure alignment of approved business plan with the signed infrastructure plans, gazetted allocations and transfers to accredited municipalities • Should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule • Must ensure only implementation of programmes in the approved business plans • Monthly and quarterly financial and non-financial reports must be signed-off by both the provincial human settlements and provincial treasuries' heads of departments • 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 • 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 • Must report on the percentage of their allocations awarded to companies owned by designated groups on a monthly and quarterly basis • Must use the ISUPG to leverage other forms of funding • Provinces must sign implementation protocols with accredited municipalities to enable gazetting transfer of funds as well as to monitor the performance of the municipality • Report on the number of jobs created on a quarterly basis • Provinces must submit monthly reports that include the outcome/effectiveness of the utilisation of the approved operational support capital programme budget • Provinces must submit quarterly reports that record the performance of operational support capital programme • After approval of roll-over funds, provinces must submit an amended business plan with the roll-over amount, and subsequent separate monthly progress reports on projects related to the approved roll-over • A province that is allocated additional funding or reallocated funds that have been stopped from another province, must submit a revised business plan and subsequent monthly progress reports on the use of the additional or reallocated funds
Process for approval of 2027/28 business plans	• First draft of the signed business plan must be submitted to the DHS by 28 August 2026. Final consolidated signed 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 5 February 2027

PUBLIC WORKS AND INFRASTRUCTURE GRANTS

Expanded Public Works Programme Integrated Grant for Provinces	
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 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: o road maintenance including but not limited to block paving and pothole patching o maintenance of buildings o low traffic volume roads and rural roads o other economic and social infrastructure o tourism and cultural industries o sustainable land based livelihoods o waste management and cleaning services o home community-based services o early childhood development services o community nutrition programme o community safety programme o sports programme o national school nutrition programme o other social services programmes
Outcome statements	• Improved quality of life of poor people and increased social stability through engaging the previously unemployed in paid and productive activities • Reduced level of poverty • Contribute towards increased levels of employment • Improved opportunities for sustainable work through experience, learning gained and skills development • 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 in the social, infrastructure and environment and culture sectors • Number of days worked per work opportunity created • Number of Full-Time Equivalents (FTEs) to be created through the grant • Number of beneficiaries provided with social services
Outcome(s) of government that this grant primarily contributes to	• Outcome 1: Increased employment and work opportunities
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, work opportunities, and participants to be trained
Conditions	• The incentive grant allocation must be used to strengthen and expand work opportunity creation programmes in the infrastructure, environment, culture and social sector • 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 • Provincial departments must register all projects on the DPWI's EPWP reporting system • 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 • 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 • The grant can only be utilised for EPWP purposes and for the projects approved in each eligible provincial department's EPWP project list • To receive the first tranche disbursement, eligible provincial departments must, by 10 April 2026, submit: o signed-off EPWP project list including a training plan o signed the EPWP integrated grant agreement with DPWI • Subsequent grant disbursements are conditional upon eligible provincial departments: o reporting on EPWP performance on the EPWP reporting system within the required time frames o complying with reporting on EPWP Integrated Grant funded projects and training o implementing their approved EPWP projects on the project list, as planned towards the agreed work opportunity targets o submitting, on a quarterly basis, non-financial reports by the timelines stipulated in the clauses of the 2026 Division of Revenue Act (DoRA) o reporting on EPWP Integrated Grant expenditure monthly, within the required time frames • Provincial departments must ensure that EPWP branding is included as part of the project cost in line with the DPWI's corporate identity manual

Expanded Public Works Programme Integrated Grant for Provinces	
	• Provincial departments must maintain participants and 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 • Provincial departments must ensure that a minimum of 2 per cent and maximum of 5 per cent of the grant allocation must be used for training of participants
Allocation criteria	• The allocation criteria is based on the following: o the EPWP grant allocations are based on FTEs reported in the past 18 months o to be eligible for an EPWP grant allocation in 2026/27, a provincial department must have reported at least 50 FTEs in either the infrastructure, environment and culture sector or social sector in the 2024/25 financial year. Additionally, the calculated allocation must be R1 million or more, meaning departments that fail to reach R1 million are not eligible o penalties are applied to provincial departments that are non-compliant with the DoRA o past performance with regard to FTEs reported in the past 18 months and labour intensity in the creation of EPWP work opportunities o poverty headcount as a percentage from the 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 • The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas
Past performance	**2024/25 audited financial outcomes** • Of the total grant allocation of R312 million for the integrated grant for provinces, 100 per cent was transferred to provinces. R312 million (100 per cent) of the transferred funds was spent by the end of the financial year • Of the total grant allocation of R306 million for the social sector EPWP incentive grant for provinces, 100 per cent was transferred to provinces. R303 million (99 per cent) of the transferred funds was spent by the end of the financial year
	2024/25 service delivery performance for EPWP integrated grant for provinces • 27 711 Work opportunities reported • 16 359 FTEs were created • Average duration of the work opportunities created is 136 days **2024/25 service delivery performance for social sector EPWP for provinces** • 16 056 Work opportunities reported • 12 748 FTEs were created • Average duration of the work opportunities created is 182 days
Projected life	• Grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R649 million; 2027/28: R681 million; and 2028/29: R703 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** • Determine eligibility and set grant allocations and FTE targets for eligible provincial departments • 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 • Support provincial departments, in the manner agreed to in the grant agreement, to: o identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria o apply the EPWP project selection criteria and EPWP guidelines to the project design o report using the EPWP reporting system • Monitor the performance and spending of provincial departments and assess progress towards their implementation of the EPWP project lists • Disburse the grant to eligible provincial departments that comply with the DoRA requirements • Report to the National Treasury on progress against FTE targets and spending against the grant allocation within 45 days after end of each quarter • Conduct data quality assessments on a continuous basis to support good governance and identify areas for administrative improvement • Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages, and facilitate innovative solutions • Support public bodies to collect the required data, align monitoring and reporting frameworks and to report on key outputs on the EPWP reporting system • Conduct site visits to verify the existence of projects and identify where support is needed
	Responsibilities of provincial departments • Develop an EPWP project list and sign the grant agreement with the DPWI by 10 April 2026, agreeing to comply with the conditions of the grant before receiving any grant disbursement • Agree on the areas requiring technical support from the DPWI upon signing the grant agreement • 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 • Provincial departments must maintain participants' payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to the DPWI for data quality assessment tests • Submit quarterly non-financial reports 30 days after the end of each quarter

Expanded Public Works Programme Integrated Grant for Provinces	
Process for approval of 2027/28 business plans	• Provincial departments must report on performance of EPWP projects for the 2025/26 financial year by 15 October 2026 to be eligible for grant allocation • Eligible provincial departments must sign the grant agreement with an approved 2027/28 EPWP project list by 09 April 2026

SPORT, ARTS AND CULTURE GRANTS

Community Library Services Grant	
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 • Equitable access to library and information services delivered to all rural and urban communities • Improved library infrastructure and services that meet the specific needs of the communities they serve • Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs • Improved culture of reading and literacy development
Outputs	• 280 000 library materials (books, periodicals, toys etc.) purchased • Library information and communication technology infrastructure and systems software installed and maintained in all provinces • New services established for the visually impaired at five identified community libraries in all provinces • Number of new library structures completed • 18 new library structures funded for construction and completion over the next two financial years • Five upgraded library structures completed • 40 maintained library structures completed • 2 936 existing contract library staff maintained in all provinces • Number of new staff appointed for dual-purpose libraries • 35 new staff appointed at public libraries to support the shifting of the function to provinces • Capacity building programmes for public librarians
Outcome(s) of government that this grant primarily contributes to	• Outcome 15: Social cohesion and nation-building
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities
Conditions	• The provincial business plans must be developed in accordance with identified priority areas • Provincial departments may only request (in writing, to the transferring officer) to amend the business plan before 30 November 2026 • Provinces may not exceed the 20 per cent threshold provided for variation orders on infrastructure projects without the approval of the transferring officer • To qualify for allocations in 2027/28 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 2025 medium term expenditure framework (MTEF) provided funding is available • Grant funding must not be used to replace funding for items that provinces have previously allocated to community libraries • 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 • Provinces must include in their business plans, the budget to be committed to the upgrading and maintenance of existing libraries • Within three months of the approval of business plans Provinces must submit the scope of work for maintenance and upgrading of existing libraries and those being built • 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 2026/27 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: o Eastern Cape: R77 million

Community Library Services Grant	
	○ Free State: R48 million ○ Gauteng: R149 million ○ KwaZulu-Natal: R104 million ○ Limpopo: R34 million ○ Mpumalanga: R82 million ○ Northern Cape: R77 million ○ North West: R53 million ○ Western Cape: R100 million • Service level agreements (SLAs)/Memorandum of Agreements (MOA) determining reporting protocols must be signed with receiving municipalities within three months after the start of the municipal financial year • The SLA/MOAs 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 • 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 2024/25 conducted by the national Department of Sport, Arts and Culture (DSAC) which identified community library needs and priorities for 2026
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	**2024/25 audited financial outcomes** • Of the R1.6 billion allocated, transferred, R1.6 billion was transferred to provinces of which R1.6 billion (100 per cent) was spent by the end of the national financial year
	2024/25 service delivery performance • Nine new libraries built • Forty four libraries upgraded/maintained • 2 936 staff maintained • 166 231 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	• 2026/27: R1.7 billion; 2027/28: R1.8 billion; and 2028/29: R1.8 billion
Payment schedule	• Four instalments: 13 April 2026; 13 July 2026; 12 October 2026; and 18 January 2027
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Ensure that capital transfers to provinces are recorded in the national infrastructure reporting model along with actual and revised transfers • Establish an intergovernmental forum with provinces that meets at least twice a year to discuss issues related to the provision of community library services • Participate in at least one intergovernmental forum meeting per province between provinces and municipalities per year • Identify challenges and risks and prepare mitigation strategies • Monitor and evaluate implementation • 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 • Submit monthly financial and quarterly performance reports to the National Treasury • Determine outputs and targets for 2026/27 with provincial departments
	Responsibilities of provincial departments • 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 • Provincial departments must establish capacity to monitor and evaluate SLAs with municipalities • Provinces must maintain the number of staff appointed using this conditional grant • Submit evaluation reports to DSAC within two months after the end of the financial year • Submit signed monthly financial reports to DSAC within 15 days after the end of every month • Submit quarterly performance reports to DSAC within 30 days after the end of the quarter • Provinces must complete the conversion of contract staff to permanent staff by end of March 2027 subject to applicable public service regulations and availability of funding • Submit an approved and signed-off infrastructure project list (Table B5) aligned to the business plan for the 2026 MTEF on the infrastructure reporting model • 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 • 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

Community Library Services Grant	
	• Comply with the conditions of this grant framework and the relevant clauses within the stipulated timeframes in the 2026 Division of Revenue Act
Process for approval of 2027/28 business plans	• Provinces must submit function shift progress report to DSAC by 30 March 2027 • Progress reports must detail at least the following: o criteria that will be used to evaluate the capacity of municipalities to administer the function on behalf of the province o a policy framework for funding municipalities that administer the service with details of this funding for a three-year time period • Provinces to submit first draft business plans to DSAC by 7 September 2026. Business plans must be aligned to their strategies for full funding of the function • DSAC to evaluate provincial business plans and provide feedback to provinces by 30 September 2026 • Provinces to submit second draft business plans to DSAC by 30 November 2026 • Provinces to submit final provincial business plans to DSAC by 1 February 2027 • DSAC approves business plans and submits them to National Treasury by 31 March 2027

Mass Participation and Sport Development Grant	
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 • Improved sector capacity to deliver sport and active recreation
Outputs	• **School sport** o learners competing in the national school sport championships o school sport programmes supported at a provincial level o school sport programmes supported at a district and local level o schools provided with equipment and/or attire to enable participation in sport and/or recreation o people trained in school sport o School sport coordinators appointed • **Community sport and active recreation** o active sport and recreation activities in communities organised and/or supported o provincial indigenous games festival implemented o hubs provided with equipment and/or attire to enable participation in sport and/or recreation o active recreation coordinators appointed o people trained in active recreation • **Club development** o local federation leagues supported o local community sporting clubs supported to participate in local leagues o local community sporting clubs supported to participate in competitions o people trained in club development o club development coordinators appointed o clubs provided with equipment and/or attire to enable participation in sport and/or recreation o provincial teams supported to participate in biennial National SA Games o professional boxing events supported o Steve Tshwete boxing tournament supported • **Sport academies** o athletes' development programme supported by the sport academies o sport academies supported (equipment and personnel) o people trained to support sport academy programme • **Transversal matters** o sport and active recreation projects implemented by the provincial sports confederation o provincial programmes contributing to "I choose 2B Active" implemented • **Management** o staff appointed on a long-term contract o administration standards met
Outcome(s) of government that this grant primarily contributes to	• Outcome 15: Social cohesion and nation-building
Details contained in the business plan	• Grant purpose • Outcome indicators • Grant outputs • Output indicators • Key activities
Conditions	**Provincial compliance** • Provinces must ensure that: o the allocation of the conditional grant shall consider support for all sporting codes o consideration must also be aligned towards major international codes like but not limited to Commonwealth Games, Olympic Games, Paralympic Games etc. Uniqueness of the province to be taken into consideration o 50 per cent of hubs and clubs supported must be from rural and farm areas o list of schools, hubs, clubs, short-term and long-term contracts must be provided with the business plan and the support required o performance evidence in prescribed format must be timeously submitted, irrespective of the status of the project, as per the technical indicator descriptors o funds from this grant shall not be 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 o to submit expenditure, report every end of each quarter detailing spending in all the programmes per indicator 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

Mass Participation and Sport Development Grant	
	○ the department will implement a transversal procurement arrangement for purchase of sport and recreation equipment and attire funded through MPSD Conditional Grant. Provinces are required to utilise this transversal contract as the primary mechanism for sourcing approved items. Procurement outside the transversal contract is permitted only with prior written approval from DSAC, accompanied by a detailed justification ○ R30 million will be allocated from the Mass Participation and Sport Development Grant in the hosting of the biennial SA Games organised by the South African Sport Confederation and Olympic Committee ○ provinces may transfer the allocation to the confederation and/or BSA for the implementation of the professional women boxing bout ○ provinces may transfer to the federations/confederation for the implementation of school sport leagues and/or club development leagues and/or SA Games • The provincial allocation must be utilised as follows: ○ school sport: 40 per cent ○ community sport and active recreation: 39 per cent ○ sport academies: 9 per cent ○ transversal matters: 4 per cent ○ management: 8 per cent • Provinces, based on their provincial dynamics, may apply to the transferring officer to change the above sub-allocations **School sport: 40 per cent** • Provinces must ring-fence R8 million, of which R2 million will be deducted per province for the hosting of the National School Sport Championships to the host province. The R6 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 R2 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 • The remaining school sport allocation must be allocated as follows: ○ 10 per cent to number of school sport programmes supported at a provincial level ○ 35 per cent to deliver school sport programmes supported at a district and local level ○ 30 per cent to schools provided with equipment and/or attire to enable participation in sport and/or recreation ○ 10 per cent for people trained in school sport ○ 15 per cent for school sport coordinators appointed **Community sport: 39 per cent** • **Active recreation: 19 per cent** ○ 40 per cent for active sport and recreation activities in communities organised and/or supported ○ 15 per cent for provincial indigenous games festival implemented ○ 15 per cent to hubs provided with equipment and/or attire to enable participation in sport and/or recreation ○ 15 per cent for active recreation coordinators appointed ○ 15 per cent for people trained in active recreation **Club development: 20 per cent** • The portion of the grant ring-fenced for club development programme must be allocated as follows: • Provinces to ringfence R1 million for team preparation and delivery of provincial teams selected and qualified to participate in the National SA Games (biennial) • Provinces to ringfence R1.3 million for Steve Tshwete Boxing Tournament and professional women boxing tournament • The MOA between provincial departments and provincial/district federations (implementers) may be entered to deliver and support leagues • Support must be used for resourcing local leagues ○ 15 per cent to local federations leagues supported ○ 40 per cent to community sporting clubs supported to participate in local leagues ○ 10 per cent to community sporting clubs supported to participate in competitions ○ 10 per cent for people trained in club development ○ 20 per cent to community sporting clubs provided with equipment and/or attire to enable participation in sport and/or recreation ○ 5 per cent for club development coordinators appointed ○ Provincial teams supported to participate in National SA Games (biennial) ○ Professional boxing tournament supported ○ Steve Tshwete boxing tournament supported **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 ○ An agreement between the departments and provincial academies must be entered into to deliver the academy programmes and annual performance plans for the departments. Provinces may transfer funds to the Provincial Academies of Sport, provided a transfer plan has been developed and submitted to DSAC together with a signed business plan

Mass Participation and Sport Development Grant	
	○ The SLA between the departments and provincial academies must be entered into to deliver the academy programmes and annual performance plans for the departments ○ 45 per cent for athletes' development programme supported by sport academies ○ 40 per cent for sport academies supported (equipment and personnel) ○ 15 per cent for people trained to support academy programme **Transversal matters: 4 per cent** • Provincial sport confederation: 3 per cent - provinces may transfer funds to the provincial sport confederation provided: ○ a transfer plan has been developed and submitted together with a signed business plan approved by the provincial department ○ an MOA has been entered into between the provincial department and the provincial sport confederation stating clearly what is expected of the provincial sport confederation ○ a monitoring mechanism is in place to monitor expenditure and performance by the sport confederation as per the MOA **Provincial programmes: 1 per cent** • These are specific provincial programmes that contribute to the "I Choose 2B Active" Campaign and Recognition programme **Management: 8 per cent** • **Appointing staff: 7 per cent** ○ provinces are expected to utilise this portion of the allocation for the appointment of staff ○ 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 **Administration: 1 per cent** • 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 for logistical arrangements relating to the administration of the grant
Allocation criteria	• R30 million will be allocated from the Mass Participation and Sport Development Grant in the hosting of the biennial SA Games organised by the South African Sport Confederation and Olympic Committee • Each province is allocated a baseline of R20 million, thereafter the equitable share formula proportions are applied to determine the remaining amount • 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	**2024/25 audited financial outcomes** • Of the R622 million available and transferred to provinces, R606 million (97.5 per cent) was spent
	2024/25 service delivery performance • 90 organized community-based sport and recreation activities • 123 school sport leagues supported at a district level • 4 923 schools, hubs and clubs provided with equipment and/or attire to enable participation in sport and/or recreation • 9 athlete development programmes supported by the sport academies
Projected life	• Grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R653 million; 2027/28: R679 million; and 2028/29: R700 million
Payment schedule	• Four instalments: 29 May 2026; 31 August 2026; 30 November 2026; and 29 January 2027
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Evaluate annual reports for the 2025/26 grants for submission to the National Treasury by 31 July 2026 • Agree on outputs and targets with provincial departments in line with grant objective for 2026/27 by 21 November 2025 • Provide the guidelines and criteria for the development and approval of business plans • Monitor implementation and provide support • Submit approved business plan for 2026/27 to the National Treasury by 30 April 2026 • Submit quarterly performance reports to National Treasury 45 days after the end of each quarter • Ensure that all the conditional grant practice notes issued by National Treasury are adhered to • Desktop monitoring: analysis of monthly and quarterly reports received by provinces • Physical verification visits to the provinces to verify what has been reported in the monthly and quarterly reports • Hold quarterly review sessions with all conditional grant role players from the provinces • 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 • Heads of Department must submit approved Business Plans to DSAC by the 31 March 2026 • Submit the 2025/26 annual evaluation report to DSAC by 30 May 2026 • Submit monthly reports as per the requirements contained in the 2026 Division of Revenue Act • Monitor progress of programmes delivered through the conditional grant

Mass Participation and Sport Development Grant	
	• Ensure that conditional grant managers attend all national conditional grant meetings • Ensure that a grant manager is appointed to manage the grant and be responsible for the grant framework, planning, implementation and reporting • Ensure organisational capacity to deliver on the programmes that are implemented through the grant
Process for approval of 2027/28 business plans	• Provinces submit draft business plan to DSAC by 9 December 2026 • Provinces submit revised draft business plans to DSAC by 10 February 2027 • Head of Department approves business plan by 31 March 2027 • DSAC submits business plans to National Treasury by 30 April 2027

TRANSPORT GRANTS

Provincial Roads Maintenance Grant	
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) • 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
Outcome statements	• Improvement in governance, administration and efficiency • Improve the condition and lifespan of provincial roads and level of service backed by a periodic five-year review of the road network conditions • Improved rates of employment and community participation through labour-intensive construction methodologies and resulting in skills development through the delivery of roads infrastructure projects • Improved accessibility and connectivity to rural settlements through safe road transportation and lower transport costs • Improve overall road safety in line with the National Development Plan (NDP) 2030
Outputs	• Network condition assessment and determination of priority projects list (table B5) from the road asset management systems or the integrated transport information system (ITIS) • 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: o number of m² of surfaced roads rehabilitated (quarterly) o number of m² of surfaced roads resurfaced (overlay or reseal) o number of rural bridges constructed o number of m² of blacktop patching (including pothole repairs) o number of kilometres of gravel roads re-gravelled o number of kilometres of gravel roads bladed o number of kilometres of gravel roads upgraded o number of kilometres of gravel roads visually assessed as per the applicable technical methods for highways manual o number of kilometres of surfaced roads visually assessed as per the applicable technical methods for highways manual o number of road safety audits conducted in hazardous locations o number of safety interventions in hazardous locations or identified through IRAP o number of refurbishment actions/ make safe actions of bridges as per bridge condition assessments and other road structures • The following performance, based on national job creation indicators: o number of work opportunities created o number of full-time equivalents created o number of youths employed (age 18 – 35) o number of women employed o number of persons living with disabilities employed • The following performance contractor development: o number of small, medium micro enterprises contracted o number of direct targeted contractors o number of indirect targeted contractors o number of contract opportunities for women owned contractors o number of contract opportunities for youth owned contractors o number of contract opportunities for people with disability owned contractors • The following performance against the rehabilitation and refurbishment component o number of m² of surfaced roads rehabilitated o number of gravel roads upgraded o number of gravel roads constructed
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation
Details contained in the business plan	• This grant uses a road asset management plan, based on the technical methods for highways manual which contains the following details: o network hierarchy o performance management framework

Provincial Roads Maintenance Grant	
	○ gap analysis based on TMH22 maturity levels ○ information and systems deployed at a province ○ prioritised project list and lifecycle planning ○ table B5 projects and a comparison to the prioritised project list ○ financial plan ○ monitoring, reviewing and continual improvements ○ road asset management policy or programme strategy ○ risk management plan
Conditions	• The framework must be read in conjunction with the Provincial Roads Maintenance Grant (PRMG) practice note, as amended and issued by the national Department of Transport (DoT) as agreed with National Treasury • The PRMG allocation may fund visual condition inspections as per the applicable TMH manual as a maximum rate of: ○ R8 000 per km of paved road ○ R3 000 per km of gravel roads ○ R8000 per bridge and, ○ R4 000 per major culvert • Provinces may use a maximum of 25 per cent of the PRMG allocation for rehabilitation activities, which includes the block paving and upgrading of roads with traffic volume greater than 300VPD used to access rural communities, schools, clinics, basic amenities and agricultural areas • Provinces may use a maximum of 5 per cent of the PRMG allocation for road safety audits or assessments and safety improvements activities • Any other improvements to roads and new facilities must be funded from the provincial equitable share • Provinces must show commitment by budgeting from the provincial equitable share to match or exceed grant allocations where possible • The payment of the first instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: ○ final road asset management plan for the 2026 medium term expenditure framework (MTEF) by 3 February 2026 ○ final tabled project list in table B5 format and registered on the roads authority reporting annual performance plan for the 2026 MTEF by 3 February 2026, 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 ○ programme submission to DoT of all the monthly and quarterly performance reports that have become due for the 2025/26 financial year, in terms of the 2026 Division of Revenue Act and the requirements of this framework, prior to date of release of payment ○ planning for the infrastructure reporting model for the 2026 MTEF by 22 April 2026 • The payment of the second instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: ○ Signed first quarter monthly infrastructure reporting model expenditure reports ○ the signed-off fourth quarter performance report for the 2025/26 financial year in terms of the 2025 Division of Revenue Act ○ the signed-off annual grant performance evaluation report by 1 June 2026 ○ 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 29 June 2026 • The payment of the third instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: ○ submission of signed-off first quarter PRMG performance report for the 2026/27 financial year by 31 July 2026 ○ signed-off monthly infrastructure reporting model expenditure reports for quarter two ○ submission of the signed-off infrastructure programme management plan for the 2027 MTEF including the 2027 MTEF project list by 31 August 2026 ○ submission of signed-off road asset management systems data submission in the correct THM18 format and PRMG practice note requirements by 30 September 2026 ○ the submission of signed-off first quarter report for Welisizwe Rural Bridges Programme by 31 July 2026 • The payment of the fourth instalment is dependent upon submission to the DoT and the relevant provincial treasury of the following: ○ signed-off infrastructure programme implementation plan(s) for the 2027 MTEF including 2027 project list by 30 October 2026 ○ the submission of the signed-off second quarter performance report for the 2026/27 financial year by 3 November 2026 ○ signed-off monthly infrastructure reporting model expenditure reports for quarter three • 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 2026 • 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 • The PRMG allocation can be allocated to the following projects as identified and prioritised through the

Provincial Roads Maintenance Grant	
	provincial road asset management systems: o projects as identified and prioritised through the provincial road asset management systems o 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 o 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 o special maintenance (operating expenditure): includes the repair of selected pavement areas followed by application of surface seal or functional asphalt overlay 50 mm limited to a maximum of 25 per cent of the PRMG allocation o 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 >50 mm thick limited to a maximum of 25 per cent of the PRMG allocation o block paving or upgrading of gravel roads with a traffic count of greater than 300 VPD used to access rural communities, schools, clinics, basic amenities and agricultural areas • The PRMG maintenance component allocation cannot be allocated to the following projects: o the hire, purchasing, repairs, maintenance and operational costs of construction plant and equipment o geometric improvements on paved or unpaved roads, which may include widening of the riding surface or addition of paved shoulder, addition of lanes of passing lanes, improving sight distances (curve slackening, blind rises), and localised geometric and intersection improvements - justified by road safety audit reports to TRH29 standards o the cumulative rehabilitation and upgrade activities are limited to a maximum of 25 per cent of the PRMG allocation, in addition to other projects financed through rehabilitation and refurbishment allocations o any costs associated with feasibility studies, tendering and programme management support o 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 – not justified by road safety reports o the upgrading of gravel roads to surface roads outside of the 25 per cent threshold o the construction of new roads and new interchanges o improvement network capacity e.g. upgrading of earth (dirt) road to engineered gravel road or gravel to surfaced o upgrading of single carriageway road to four-lane or dual carriageway road o the construction of new gravel or surfaced road where previously no road existed (brown/green fields construction) o the construction of new bridge to replace existing bridge or new interchange to replace intersection • The PRMG rehabilitation and refurbishment component allocation may only be allocated to: o rehabilitation and refurbishment of provincial strategic road network o 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 o upgrading of a single carriageway road o upgrading of earth (dirt) road to an engineered gravel road o the upgrading of a gravel road to a surfaced road • All projects under the refurbishment component must be included in business plans, and with approval from the DoT • The following amounts per province must be used in 2026/27 for the repair of infrastructure damaged by disasters classified in June 2025. Expenditure is restricted to projects expressly approved and recorded in the National Disaster Management Centre's post-disaster verification assessment reports o Eastern Cape: R708 million o Limpopo: R804 million
Allocation criteria	• PRMG allocations to provinces 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. Road transfers shall not affect the PRMG formula • Unallocated amounts, for rehabilitation and refurbishment for 2026/27 and 2027/28 will be allocated as 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	**2024/25 audited financial outcomes** • Of the R17.2 billion allocated, R15.2 billion (88.2 per cent) was spent by provinces by the end of the financial year
	2024/25 service delivery performance • 6 057 983 m² (1730 effective km) surfaced roads rehabilitated • 7 299 489 m² (2085 effective km) of surfaced roads resurfaced (overlay or rescal) • 2 238 469 m² of roads were patched • 2 756 km of gravel roads re-gravelled

Provincial Roads Maintenance Grant	
	• 253 510 km of gravel roads bladed • 277 904 jobs created (work opportunities) • 88 119 full-time equivalents created • 66 374 youths employed (18-35) • 218 734 women employed • 100 people living with disabilities employed
Projected life	• The grant is ongoing, but will be subject to periodic review
MTEF allocations	• 2026/27: R17.9 billion; 2027/28: R17.8 billion; and 2028/29: R18.4 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** • 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 • Monitor and review any special allocations and/or the performance-based allocations mechanism for use in determining future allocations • Submit annual national road assessment management plan to National Treasury by 29 March 2027 • Submit a grant evaluation report to National Treasury four months after the end of the financial year • Review the performance-based allocation mechanism for use in determining future allocations • Confirm the correctness of data submitted by provinces by assessing a representative sample • Ensure that road asset management plan project list and infrastructure reporting model are updated and aligned • Upload submitted road condition data into a central repository • Monitor project implementation through on-going engagements, quarterly through bilateral and site inspections • 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 2026 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments of the 2026 Division of Revenue Act • Put in place national transversal appointments and internal mechanisms to assist the identified provinces to implement the projects submitted by or as per agreement with the provinces through the use of national transversal appointments
	Responsibilities of provincial departments • 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 • Provinces must align the road asset management plan, asset management strategy, PRMG business 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 • Identification and preparation of project profile reports in partnership with the DoT • Identification and submission of projects to be implemented by the DoT • Provinces must report on job creation and contractor development programmes • Provinces must provide for detailed reports on ring-fenced allocations for disasters, rehabilitation and refurbishment and Welisizwe Rural Bridges Programme • 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 data to latest COTO TMH18 specification to the ITIS central repository and safety audit report to DoT by 29 September 2026 • 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 • 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 • In addition to industry best practice guidelines, provincial departments must implement their projects in line with the S'hamba Sonke and the Expanded Public Works Programme guidelines • Ensure that approved grant funded projects are published as part of the Estimates of Provincial Revenue and Expenditure through the provincial legislative processes • Ensure projects are selected using road asset management system as the primary source of information • Participate and support DoT on the Operational Vala Zonke programme
Process for approval of 2026/27 business plans	• Provinces must submit for approval, a draft 2027/28 road asset management plan with a minimum of five years of planned projects selected using road asset management system as the primary source, by 29 June 2026 • Provinces must submit for approval, the infrastructure programme management plan including 2027 MTEF project list by 31 August 2026 • Road asset management plans, including 2027 MTEF prioritised project lists (the infrastructure programme management plan) must be reviewed by DoT and feedback provided by 30 September 2026. Provinces must submit the infrastructure programme management plan including 2027/28 delivery project list by

Provincial Roads Maintenance Grant	
	30 November 2026 and must be reviewed by DoT and feedback provided by 31 December 2026 • Provinces to submit for approval, final 2027/28 road asset management plan and table B5 project list to DoT, the relevant provincial treasury and National Treasury by 1 February 2027 indicating all the required planned targets

Public Transport Operations Grant	
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 • Improved efficiencies in public transport spending
Outputs	• Number of vehicles subsidised • Number of vehicles subsidised (cumulative annual number) • Number of trips operated • Number of passengers • Number of kilometres • Number of employees
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 9: Economic transformation for a just society
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 • If the contracting function is assigned to any municipality before the 2026/27 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 2026 Division of Revenue Act. 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 2026 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 • Where contracting functions 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 5 of 2009 (as amended). 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. The provinces must share relevant information with municipalities relating to this grant, where services link to integrated public transport networks • For the purpose of planning, provinces must establish public transport integration committees. 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 • 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 of 2007 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 (as amended) the functions of the two committees must be consolidated to ensure integration of planning, services and modes
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	**2024/25 audited financial outcome** • Allocated and transferred R7.8 billion to provinces of which R7.8 (100 per cent) billion was spent by the end of the national financial year
	2024/25 service delivery performance • Number of vehicles subsidised: 6 232 • Number of kilometres subsidised: 211 million • Subsidy per passenger: R33.25 • Subsidy per kilometre operated: R37.11 • Passengers per vehicle: 3 148 • Passengers per trip operated: 45.8 • Employees per vehicle: 2.6
Projected life	• Grant continues until the 2028/29, subject to review
MTEF allocations	• 2026/27: R8.4 billion; 2027/28: R8.7 billion; and 2028/29: R9 billion
Payment schedule	• Monthly instalments according to a payment schedule approved by National Treasury

Public Transport Operations Grant	
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Disburse allocations to provinces • Collect and evaluate operational and financial data from provinces and consolidate for submission to National Treasury • Maintain a national database with key performance indicators of public transport services as per data received from provinces • Submit quarterly and annual reports to National Treasury in line with the 2026 Division of Revenue Act requirements and time frames • Advise provinces/contracting authorities regarding the design of contracted services • 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 2026 Division of Revenue Act. If matters are still unresolved, this may result in the stopping and reallocation of tranche payments in terms of the 2026 Division of Revenue Act
	Responsibilities of provincial departments • Any contractual agreement entered into in relation to this grant will be the responsibility of the contracting authority • Provincial departments remain responsible for funding any shortfall experienced on this grant from their provincial equitable share • Ensure that contracted operators certified claims are paid within 30 days from the date of receipt • 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 • 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 • The Public Transport Operations Grant reports must be signed by the accounting officer or delegated official in terms of the Public Finance Management Act • Provinces must inform the transferring officer of any disputes or challenges that may lead to service disruptions • For the purposes of planning 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 recommendation
Process for approval of 2027/28 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 2026 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
- Outcome(s) 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
- 2026 MTEF allocations
- The payment schedule
- Responsibilities of transferring national department and receiving municipalities
- Process for approval of business plans for 2027/28

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, 2026 is enacted, these frameworks will be gazetted in terms of the Act.

The financial statements and annual reports for 2026/27 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	
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 • 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 • Improved quality of municipal services through infrastructure that is in better condition • Improved spatial integration
Outputs	• Number of new water connections meeting minimum standards • Number of new sewer connections meeting minimum standards • Percentage of known informal settlements receiving integrated waste handling services during the financial year • Number of additional parks, outdoor sports facilities and open space provided during the financial year • Number of additional community halls provided during the financial year • Additional kilometers of unsurfaced roads graded within the financial year • Additional kilometers of surfaced municipal road lanes which has been resurfaced and resealed • Additional kilometers of roads, stormwater and stormwater channels constructed during the financial year • Number of pedestrian and vehicular bridges constructed during the financial year • Additional kilometers of non-motorised transport paths built over the financial year • Number of community lighting, street lights and high mast lights, constructed during the financial year • Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs • 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 • Number of urgent repairs and refurbishment undertaken on municipal infrastructure
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at 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) • 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 • 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): o classification of sub-programme as informal settlement upgrading, other new infrastructure or renewal o anticipated outputs o indication of the proportion of outputs that will be delivered in priority areas as identified in the Spatial Development Framework o indication of the proportion of outputs that will benefit low-income households, high income households or non-residential customers • The three-year capital programme must demonstrate appropriate co-funding for the portion of the programme that does not benefit low-income households • The three-year capital programme must be developed in accordance with the planning, administration and implementation phases of project management • 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
Conditions	• IUDG funds may only be spent on: 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 o new infrastructure, upgrading existing infrastructure or renewing existing infrastructure o maintenance of roads infrastructure mainly serving the poor o specialised waste management vehicles servicing the poor o undertaking specified planning and programme management activities • 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 • IUDG receiving municipalities must submit their infrastructure asset management plans, accompanied by an excel copy of the municipality's audited asset register to the Department of Cooperative Governance (DCoG) by 30 April 2026

Integrated Urban Development Grant	
	• 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 • 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 • An IUDG receiving municipality must use the Public Infrastructure Unit Cost Guidelines, 2021 edition, for the costing of IUDG funded projects • 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 are not planned or spent for this purpose, they must revert back to capital projects in the IUDG • The 2026/27 financial year PMU business plans must be submitted to DCoG for approval, by not later than 30 April 2026 • The performance-based component of the IUDG can only be used for new, upgrading and rehabilitation of basic services infrastructure • 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 • An IUDG receiving municipality must spend at least 60 per cent of its transferred amount, before the next transfer • An IUDG receiving municipality must spend at least 45 per cent of its allocation by December 2026 • IUDG funds can be used for road maintenance only if projects are planned and prioritised using asset management plans • 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 Sport, Arts and Culture (DSAC) • 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 • Municipalities implementing a PIP must submit quarterly reports on its progress to DCoG • Municipalities must apply labour intensive construction methods (LICs) and comply with EPWP infrastructure guidelines • 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 recommendation from the national DFFE before it is considered for approval by the national Department of Cooperative Governance. Vehicles may not be purchased with IUDG funds for other purposes • 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, which include higher urban population densities and high economic activity • The IUDG includes a base component that is derived from the MIG formula explained in part five of Annexure W1 of the 2026 Division of Revenue Bill; a performance-based component and a 3 per cent planning component • 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: o non-grant capital as a percentage of total capital expenditure (40 per cent) o repairs and maintenance expenditure (30 per cent) o asset management plan (30 per cent) o land use applications in priority areas (0 per cent - this factor is dormant in 2026/27) o building plan applications in priority areas (0 per cent - this factor is dormant in 2026/27) • 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: o a detailed three-year capital programme and a 10-year CEF o property market empirical and diagnostic studies o integrated infrastructure and spatial planning for identified integration zones o investment pipeline development o municipal systems and/or measures to improve ease of doing business such as construction permits and land use applications o development or review of infrastructure asset management plans o identified priority areas for spatial transformation in line with the Spatial Development Framework and CEF

Integrated Urban Development Grant	
	○ development of infrastructure financing strategies and instruments including finance strategy for green and climate resilient infrastructure ○ implementation of an agreed performance improvement plan ○ private sector engagement strategy and programme indicating how the municipality will partner with different stakeholders on the delivery of the CEF ○ 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	**2024/25 audited financial outcomes** • R1.2 billion was allocated and transferred, of which 99.9 per cent was spent by the end of the financial year
	2024/25 service delivery performance • Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for: ○ 43 969 households provided with basic water service ○ 130 790 households provided with sanitation services • Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): ○ 15 501 households with access to sports and recreation facilities ○ 10 168 households with access to paved roads and stormwater ○ 18 808 households with access to waste management service 337 households with access to high mast and street lights ○ 6 487 households with access to community halls, taxi ranks and cemeteries ○ 908 WOC created using the EPWP guidelines for the above outputs
Projected life	• The programme will continue up to 2028/29, subject to review
MTEF allocations	• 2026/27: R1.4 billion; 2027/28: R1.4 billion and 2028/29: R1.5 billion
Payment schedule	• The grant will be paid in three instalments: July 2026, December 2026 and March 2027, in line with the payment schedule approved by National Treasury
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national departments** • DCoG administers the IUDG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: ○ monitor expenditure and non-financial performance in collaboration with provincial departments of cooperative governance ○ coordinate overall programme implementation ○ 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 • The Municipal Infrastructure Support Agent must support municipalities that have been identified collaboratively by DCoG and its provincial counterparts as needing assistance • DFFE must make the final recommendation on the TAR for the purchasing of specialised waste management vehicles • In addition to the sector-specific support and advice, the Department of Water and Sanitation, DFFE, Department of Transport, Department of Electricity s and Energy and DSAC will be expected to: ○ provide sector policies and plans to municipalities as informants to the preparation of CEFs ○ participate in processes to approve the 10-year CEF and three-year capital programme ○ 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 • Provincial departments responsible for local government must: ○ coordinate technical support to municipalities ○ provide assistance to municipalities in managing municipal infrastructure projects ○ participate in processes to approve the 10-year CEF and three-year capital programme ○ participate in in-year monitoring meetings ○ verify outputs and outcomes reported by municipalities on a sample of projects annually • Provincial treasuries must: ○ participate in processes to approve the 10-year CEF and three-year capital programme ○ participate in in-year monitoring meetings • 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 • 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 • Municipalities must monitor projects during the year and use this monitoring to inform reporting to DCoG • Municipalities must report monthly, quarterly and at the end of the financial year in the prescribed format(s) and timelines • Monthly, quarterly and annual reports must be signed-off by the Accounting Officer or the delegated official and submitted directly to DCoG

Integrated Urban Development Grant	
	• 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 • 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 • Procurement of service providers and contractor should be concluded within the first quarter of the 2026/27 financial year
Process for approval of 2027/28 business plans	• Eligibility for the IUDG and minimum conditions for qualification are outlined in Annexure W1 to the 2026 Division of Revenue Bill • Any Category B municipality may apply to qualify for the IUDG for 2027/28 by submitting an application by 31 July 2026 • IUDG receiving municipalities must submit data for the calculation of the performance-based component (incentives) for approval by DCoG by not later than 30 August 2026, to inform the subsequent year's allocations • Municipalities that will be receiving the IUDG for the first time in 2027/28 must submit a first draft of the three-year capital programme and 10-year CEF to the transferring officer by 30 March 2027 and the final versions of the three-year capital programme and 10-year CEF must be adopted by respective councils by 1 June 2027 • 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 • 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 • The 2027/28 financial year PMU business plans must be submitted to DCoG for approval, by not later than 30 April 2027

Municipal Disaster Response Grant	
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
Outcome statements	• Immediate consequences of disasters are mitigated or alleviated • Improved service delivery in the local government sphere
Outputs	• Emergency repair of critical infrastructure • Emergency provision of critical goods and services
Outcome(s) of government that this grant primarily contributes to	• Outcome 10: Reduced poverty and improved livelihoods
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: 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) documentation linked to Sections 56 and 57 of the same Act 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 o number of people, households and infrastructure affected and the extent of damages and losses o sectors affected o total funds required for disaster response and relief measures o resources (both financial and in-kind) allocated by the municipality to respond and mitigate the effects of the disaster 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 o cost-benefit analysis of the projects to be implemented o an asset register that accurately reflects the projects for which funding has been applied • An implementation plan with the following: o details of the projects to be repaired including Global Positioning System (GPS) coordinates o estimated total cost of the projects o consolidated projects cash flow over six-month period as an annexure to the implementation plan o technical report signed by the Accounting Officer or a delegated official (high level that explains technical solution, viability and practicality) o maintenance plan and resourcing of the infrastructure to be repaired • 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) • 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 • 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 • 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 • 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 • Funds may only be used in line with the approved business plan by NDMC. Any requests for amendments to the business plan must be approved by the accounting officer and be submitted to the NDMC at least three months prior to end of the six months implementation period, supported and recommended by the Provincial Disaster Management Centre (PDMC) and Municipal Infrastructure Support Agency (MISA); and approved by the NDMC and copies of the approved amendments to be shared with National Treasury • 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 • The emergency procurement system provided for in the Treasury Regulations should be invoked by the affected municipalities to ensure immediate response and relief measures within their areas of jurisdiction • 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, MISA 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 • 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	
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	**2024/25 audited financial outcomes** • The grant was allocated R891 million, of which R873 million was transferred to 83 municipalities in all nine provinces and R483 million was spent
	2024/25 service delivery performance • R873 million was transferred to municipalities to provide funding to repair municipal infrastructure damaged due to floods. The funding was disbursed as follows: o R220 million to Eastern Cape for 27 municipalities o R59 million to Free State for 6 municipalities o R88 million to KwaZulu-Natal for 9 municipalities o R62 million to Gauteng for 1 municipality o R107 million to Limpopo for 13 municipalities o R162 million to Mpumalanga for 13 municipalities o R5 million to Northern Cape for 1 municipality o R40 million to North-West for 3 municipalities 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	• 2026/27: R411 million; 2027/28: R427 million and 2028/29: R441 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** • 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 • 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 • Request the support of the relevant national sector departments are providing and ensure there is no duplication of support • Notify the relevant municipality of a transfer at least three days before the transfer is made • 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 • Provide National Treasury and the relevant provincial treasury with written notification of the transfer within 14 days of a transfer of this grant • Together with the relevant PDMC monitor the implementation of disaster response and relief projects • Share with the National Treasury, approvals to utilise more than six calendar months after the date of transfer • Provide an information system, if available to capture, analyse information, and produce reports
	Responsibilities of Municipal Infrastructure Support Agency • Support the NDMC and PDMCs in conducting detailed assessments and verification of the damage to municipal infrastructure • In collaboration with the relevant sector departments, assist the identified municipalities on appropriate infrastructure, planning delivery models for the implementation of disaster projects • coordinate the infrastructure verification assessment in collaboration with the PDMC, provincial sector departments and NDMC • Advise on the pre-engineering processes to be followed in the reconstruction of damaged infrastructure (Environmental Impact Assessments and Water Use License Applications) • Recommend the technical reports and designs by the municipalities to ensure technical viability and feasibility and costing of the projects • 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 • Provide technical advice and expertise to identified municipalities on the use of alternative technologies • Assist local municipalities • Monitor the implementation of projects together with the affected municipalities, PDMC and NDMC **Responsibilities of Provincial Disaster Management Centres** • Advise municipalities about the existence of the disaster grants and facilitate funding applications by municipalities • Assist municipalities with the rapid assessment reports to be submitted to the NDMC • Provide support to municipalities with regard to the final post-disaster verification report • Facilitate submission of final post-disaster verification reports signed-off by the Accounting Officer in the municipality • Provide a copy of the final post-disaster verification report to municipalities • Provincial Disaster Management Centre analyse and recommendation to the NDMC signed-off • Assist municipalities in preparing business plans incorporating the implementation plans and cash flow projections

Municipal Disaster Response Grant	
	• Monitor the performance of municipalities and recommend relevant measures required for under-performance to NDMC • Activate monthly provincial project task teams for implementation of approved disaster projects • Facilitate the submission of financial and non-financial reports to the NDMC within 10 days after the end of each month including supporting documentation such as pictures, payment certificates, invoices and proof of payments • Analyse and make recommendations signed-off on the submitted reports • Provide expenditure and project performance reports including supporting documentation such as pictures payment certificates, invoices and proof of payments to the NDMC within 35 days after the end of the quarter in which funds are spent • Make recommendation on requests by municipalities • Coordinate provincial on-site visits to monitor and report on the implementation of projects and provide reports of progress to the NDMC • 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 • 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 • Conduct damage assessment and costing of emergency repair work • Together with the required supporting documentation, submit disaster assessment reports and funding requests signed-off by the accounting officer or delegated official to the PDMC within 14 days following the classification of a disaster • 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 • Municipalities must implement all projects approved and ensure that the funds allocated are spent for their intended purposes in line with the grant condition • Activate project task teams during the implementation of disaster projects at a municipal level • Submit expenditure reports signed-off by the accounting officer or a delegated official 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 • Submit a performance report signed-off by the accounting officer or delegated official 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 • 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 2027/28 business plans	• Not applicable

Municipal Infrastructure Grant	
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 • 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 • 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 • Improved reliability of basic services infrastructure for poor communities • 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: o basic water and sanitation services o central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites o sport and recreation facilities o street and community lighting o public facilities • Number of poor households impacted through the urgent repairs and refurbishment of water, sanitation, roads and stormwater and solid waste management existing infrastructure • Number of kilometres of municipal roads developed, upgraded and maintained servicing the poor • Number of specialised vehicles for waste management purchased for servicing the poor • Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs • Number of Infrastructure Asset Management Plans developed
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at 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: o project title o sector o timeframes for implementation o operation and maintenance financial requirements and source o number of beneficiaries 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) o cost of the project o LIC component of the project, with targets and processes to be used
Conditions	**Schedule 5, Part B** • To receive the first tranche, municipalities must have followed the process for approval of 2026/27 projects and have confirmed by 30 April 2026 with DCoG, their programme, project planning and implementation readiness in the form of a municipal approved (by municipal manager) implementation plan that includes cash flow projections as well the procurement plan • To receive the first tranche professionals and contractors must have been procured by 1 August 2026 on the registered project identified in the implementation plans mentioned above • 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 • MIG priorities set by municipalities (as stated in their MIG implementation plans) can only be changed in-year with not more than 20% of the MIG allocation 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 • Projects not implemented within three years of approval by the relevant appraisal committee will be deregistered by MIG Appraisal Committees • 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 • 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 • MIG funds must be allocated and transferred directly to the Category B or C municipality assigned the relevant basic services function under section 84 of the Municipal Structures Act. However, where a municipality exhibits material governance, financial, SCM, or contract management weaknesses, indicating a high risk to the safeguarding and effective use of infrastructure funds, the allocation may be converted to indirect delivery through an accredited implementing agent • 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 servicing the poor

Municipal Infrastructure Grant	
	• Municipalities must prioritise MIG funds for infrastructure that services eligible beneficiaries, such as: o basic residential infrastructure for the poor for water, sanitation, roads and stormwater, solid waste management, street lighting and community facilities o new or upgrading of municipal bulk infrastructure to support existing areas, the formalisation of informal settlements and to support economic development o 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 o renewal and refurbishment of water and sanitation, roads infrastructure, solid waste management infrastructure mainly servicing the poor o specialised waste management vehicles servicing the poor • WSA municipalities' water services infrastructure failure 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 • Municipalities' solid waste disposal sites failure identified through non-compliance pre-directives or directives issued by the provincial departments of environment must use at least 5 per cent of their MIG allocation for urgent repairs and refurbishment of their solid waste disposal sites • 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: o recommended by the relevant sector department o accompanied by an Excel copy of the municipality's audited asset register and a resolution of Council approving the project submitted by 01 April 2026 • 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 30 April 2026. If these funds are not committed for this purpose or spent for this purpose, they must revert to fund MIG capital projects • Municipalities must comply with sector norms, standards and legislation as confirmed by sectors during the MIG project registration processes • 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 • Ring-fenced sport infrastructure allocation: o 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 Sport, Arts and Culture (DSAC) o 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 o subsequent transfers for projects funded through the ring-fenced amount will also be subject to approval by DSAC • Sport infrastructure not funded from the ring-fenced amount: o municipalities must submit technical reports on sport and recreation infrastructure projects o 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 • 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 • 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 • 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 • Municipalities must submit annual reports in the prescribed national template and signed-off by the Municipal Manager or delegated official • Municipalities must utilise the Municipal Infrastructure Grant Management Information System (MIG-MIS) to facilitate programme and project management and monthly and quarterly reporting • Municipalities must spend at least 60 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred • By 4 January 2027, municipalities must spend: o at least 40 per cent of their total MIG allocation, where allocations are equal or less than R100 million o at least 45 per cent of their total MIG allocation, where allocations are more than R100 million

Municipal Infrastructure Grant	
	Schedule 6, Part B • DCoG will assess new municipalities on the following criteria for inclusion in 2026/27 to identify municipalities for possible conversion of portions of the Schedule 5B allocations to Schedule 6B: o municipalities with DWS and DFFE directives/non-compliance/criminal charges on the poor state of water, sanitation and solid waste management infrastructure 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); extent of non-revenue water as reported in the audited municipal annual financial statements (AFS) o 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 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 (2022/23 – 2024/25) • DCoG will continue to convert schedule 5B allocations from existing municipalities identified in 2025/26 to conclude subsequent phases of water services infrastructure • DCoG will notify new identified municipalities by March 2026 on the analysis results, DCoG and newly identified municipalities must enter into an MoA before any project is implemented and agree on a capacity building plan to assist identified municipalities to return to implementing the full schedule 5B allocations • DCoG will review existing MOAs whether the implementation modalities currently deployed are to the benefit of the schedule 6B approach, which this review could inform the amendment of implementation modalities • DCoG to prepare an implementation plan by 30 April 2026 based on the converted funding specifying the agreed projects to be implemented per municipality. The affected municipalities will align their 2026/27 implementation plans in line with their converted 2026/27 MIG allocations to be submitted to DCoG by 30 April 2026 • DCoG to develop a Standard Operating Procedure (SOP) for MIG schedule 6B by 30 June 2026 that identifies the timelines for critical processes and the roles and responsibilities that various stakeholders can plan in the implementation of MIG schedule 6B • Grant funding shall be directed only to capable implementing agents such as district municipalities, water boards, the Development Bank of Southern Africa and MISA
Allocation criteria	• Part 5 of Annexure W1 to the 2026 Division of Revenue Bill sets out the MIG formula in detail, showing how the formula incorporates backlog and poverty data • The funds ring-fenced for sport infrastructure are allocated based on estimated costs of projects that: o fill identified gaps and are confirmed with the provincial departments responsible for sport and the municipalities o align to the National Sport and Recreation Plan, National Sport Facilities Plan and transformation imperatives o 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	**2024/25 audited financial outcomes** • The MIG programme was allocated R17 billion, the entire amount was transferred and R16.5 billion (96 per cent) was reported as spent by municipalities at the end of the 2024/25 financial year
	2024/25 service delivery performance • Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for: o 42 509 households provided with basic water and 42 268 households provided with sanitation services o 205 131 households provided with street and community lighting • Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): o 20 central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites developed o 127 sport and recreation facilities developed o 164 public facilities developed o 1 579 kilometres of municipal roads developed • 177 496 FTEs created using the EPWP guidelines for the above outputs
Projected life	• This grant continues until 2028/29, subject to review
MTEF allocations	**Direct transfers (Schedule 5, Part B)** • 2026/27: R17.5 billion; 2027/28: R20 billion; and 2028/29: R20.7 billion **Allocations in kind (Schedule 6, Part B)** • 2026/27: 536 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** • DCoG administers the MIG and co-ordinates its activities with all stakeholders, through appropriate structures. DCoG must: o report to sector departments on outputs o monitor expenditure and non-financial performance in collaboration with provincial DCoGs o coordinate overall programme implementation o provide support to municipalities in the utilisation of the MIG-MIS

Municipal Infrastructure Grant	
	• For Schedule 6B allocations, DCoG must: o where local and district municipalities lack the capacity to deliver, redirect funds to capable implementing agent such as district municipalities, water boards, the DBSA or MISA o 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 o provide to National Treasury, detailed information on the selection criteria, and evidence of the approved capacity building plan o ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates o make payments to contracted Implementing Agent based on invoices for work done • MISA must: o provide technical support and advice to municipalities that have been identified collaboratively with DCoG and its provincial counterparts as needing assistance o 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 municipal project management functions, to identify detailed reasons for challenges affecting the implementation of MIG o report all findings and recommendations for improvement to the identified municipalities, national and provincial DCoGs 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 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 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 o partake in the assessment of the business plans for the asset management planning provision and make recommendations to the transferring officer o support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B • In addition to their sector-specific responsibilities, each national sector department will be expected to: o provide information on service delivery priorities per municipality as expressed within sectoral plans and municipal IDPs o fulfil a sectoral monitoring and guidance role on relevant sectoral outputs o evaluate reports and provide final recommendations to the municipality by 15 September 2026 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 o confirm the current state of maintenance where municipalities have applied for funding of renewal projects o advise which sphere (provincial or national even if different across provinces) should sign-off MIG projects and participate in MIG workflow processes o sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended • Department of Water and Sanitation must: o support and monitor municipalities to prepare and implement water services development plans 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) o for the MIG funding stream, monitor and oversee progress on water and sanitation projects implemented through the MIG o promote the use of innovative solutions in pre-feasibility, feasibility studies and in technical report(s) o support the process of the development of water and sanitation infrastructure asset management plans and the updating and verification of asset registers o support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B • Department of Human Settlements must ensure alignment between the MIG programme, HSDG, ISUPG: Municipalities, RBIG and WSIG • Department of Forestry, Fisheries and the Environment (DFFE): 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 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 o support the process of the development of waste management infrastructure asset management plans and the updating and verification of asset registers • Department of Electricity and Energy must: o support municipalities with planning and implementation of public lighting and monitor municipalities' performance and compliance with conditions applicable to this sector

Municipal Infrastructure Grant	
	○ support the process of the development of electricity community infrastructure asset management plans and the updating and verification of asset registers • Department of Transport must: ○ 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 ○ support DCoG in the identification of projects to be funded from DCoG as a Schedule 6, Part B • Department of Sport, Arts and Culture must: ○ evaluate technical reports and provide final recommendations to the municipality by 15 September 2026 that will allow municipalities to submit project registrations for appraisal by 30 September 2026 ○ support municipalities throughout all project management stages of municipal sport and recreation facilities and monitor municipalities performance and compliance with conditions applicable to this sector ○ review, approve and sign-off all MIG projects before recommendation by the provincial sports departments to the MIG appraisal committee ○ review and approve designs before the appointment of contractors ○ establish National Sport and recreation infrastructure steering committee support the process of the development of sport infrastructure asset management plans and the updating and verification of asset registers ○ 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 ○ arrange quarterly meetings with ringfence beneficiaries through provincial department • Department of Public Works and Infrastructure must: ○ monitor compliance with the EPWP infrastructure guidelines and advise municipalities on the use of labour-intensive processes, systems, techniques and approaches ○ 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 ○ 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 • Coordinate technical support to municipalities • Monitor performance of funding utilised to augment the Programme/Project Management capacity and recommend relevant sanctions for under-performance to DCoG • Provide support to municipalities with the development of Infrastructure Asset Management Plans • Provide assistance to municipalities in managing municipal infrastructure projects • Provide support to municipalities in the utilisation of the MIG-MIS • Monitor and reconcile reported expenditure with proof of payment signed-off by the municipality • 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 • Coordinate district appraisal and progress committee meetings ensuring that DCoG and relevant sector departments are invited • Issue registration letters for projects approved by the district appraisal committees to municipalities, copying DCoG • Monitor project implementation in collaboration with sectors through scheduled site visits with relevant stakeholders and compile relevant spot check reports • Monitor the capturing of site visit reports by municipalities on the MIG-MIS • Monitor compliance with provincial legislation and alignment to provincial growth and development strategies through project registration • 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 • Each provincial sector department must fulfil a sectoral monitoring and guidance role on relevant sectoral outputs • Provide technical advice as required by a municipality through the feasibility, planning, design, tender and construction phases of a MIG project • Provide support to municipalities with the development of Infrastructure Asset Management Plans • Participate in district appraisal and progress committee meetings • Evaluate and provide recommendations on sector technical reports before projects are appraised • 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 • Facilitate the sign-off on project close-out reports, thereby acknowledging the projects have been completed as intended on MIG-MIS • Support the DCoG will the identification of Schedule 6B projects
	Responsibilities of municipalities • 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

Municipal Infrastructure Grant	
	• Municipalities must certify compliance to the provision of 2026 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 • Municipalities must have appropriate capacity to implement the MIG, this must be supported by the human resource plan of the municipality • Municipalities must monitor each project and ensure that MIG funds are spent for the intended purpose as registered on the MIG-MIS • 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 • Compulsory use of the MIG-MIS to inform the content of the reports mentioned above • Municipalities must capture project site visit reports as part of the portfolio of evidence to support claims o ensure that the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects o in terms of Sport and Recreation ringfenced allocation, municipalities must submit technical reports together with confirmation letter from local sport confederation to DSAC National through Provincial DSAC before 31 March 2026 o municipalities must ensure that MOUs for ringfenced allocations are signed by Municipalities before 30 April 2026, failure to sign the MOU will result in withdrawal of the ringfenced allocation o ensure that designs are reviewed and approved by DSAC before appointment of contractor (before the advertisement of tender) o each benefitting municipality must establish the project steering committee, and involve all relevant stakeholders including PMU, community services Directorate, Local and District Sport Council, traditional councils, surrounding schools, MISA and Districts Department of Sport, Arts and Culture o attend the quarterly progress meetings arranged through provincial DSAC o attend progress site visit o municipality must communicate in writing any changes in terms of the scope of work
Process for approval of 2027/28 business plans	**Schedule 5, Part B** • 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 2026 for all projects to be implemented in 2027/28 • The responsible sector department must evaluate reports and provide final recommendations to the municipality by 15 September 2026 • When projects are registered for 2027/28, the municipality must identify how each MIG infrastructure project is aligned to and/or supports their local economic development strategy • The municipality must submit all project registration forms by 30 September 2026, for the projects to be implemented in 2027/28, to the provincial department responsible for local government • The provincial departments must provide final recommendations to municipalities by 2 December 2026 • Municipalities must submit to DCoG by 1 February 2027, detailed project implementation plans for all the projects to be implemented in the 2027/28 and 2028/29 financial years • 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 • Municipalities must submit updated implementation plans (as described above) by 29 April 2027, justifying any changes from the 1 February January 2027 submission • 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 **Schedule 6, Part B** • DCoG will assess new municipalities on the following criteria for inclusion in 2026/27 to identify municipalities for possible conversion of a portion of the Schedule 5B allocations to Schedule 6B as per the SOP for schedule 6B that will include processes for the preparation for 2027/28

ELECTRICITY AND ENERGY GRANTS

Integrated National Electrification Programme (Municipal) Grant	
Transferring department	• Electricity And Energy (Vote 10)
Grant schedule	• Schedule 5, Part B
Strategic goal	• To increase access to electricity through funding alternative energy technologies, household connections and distribution bulk infrastructure (substations, medium and high voltage lines) to ensure constant supply of electricity • To reduce electricity consumption by promoting energy efficient practices
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 • To provide subsidies to municipalities to accelerate the implementation of energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency
Outcome statements	• Universal access to electricity • A reduction in household electrification backlogs • Increased energy efficiency and reduced demand for electricity
Outputs	• The number of household connections per annum • The number of installations with alternative energy technologies per annum • The number of substations completed • Kilometres of medium voltage lines completed • Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created • Amount of electricity saved in kilowatt hours (kWh) • Number of energy efficient streetlights installed • Number of energy efficient traffic lights installed • Number of retrofitted buildings • Number of units of water services infrastructure retrofitted
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 5: Energy security and a just energy transition • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• Outcome indicators • Output indicators • Projected energy savings • Key activities • 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 • Municipalities must provide the DEE with a detailed project implementation plan during the first quarter of the municipal financial year • Bulk infrastructure can only be funded for infrastructure serving poor households (where infrastructure serves tariff-funded areas and poor households, costs should be shared) • INEP funds may be used for the refurbishment of critical infrastructure, only upon approval of a business plan submitted to the DEE • Municipalities must utilise their own funding if the subsidy is insufficient • 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 • No contracts will be signed unless all the annexures are submitted by end April 2026 • No reimbursement will be made for projects that have been implemented without the prior approval by the DEE • Funds may only be used in line with the approved project implementation plan • 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 • 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) • 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

Integrated National Electrification Programme (Municipal) Grant	
	• 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 • 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 • Funds earmarked for energy efficiency and demand management can only be used to implement electricity-saving projects in municipal infrastructure • The implementation of energy efficiency measures shall focus on municipal buildings facility, public lighting infrastructure, wastewater treatment works and pump stations • Municipalities must determine a detailed electricity consumption baseline in line with South African Standards (SANS 5002 and SANS 50010) • Municipalities must respond to the request for proposals issued by the DEE in the format provided • A performance agreement with specific conditions shall be entered into between the municipality and the DEE • The municipality shall prepare and submit a project work plan and business plan in the templates provided by the DEE • The municipality shall procure the streetlight luminaires as per the standardised technical specifications, and where possible in the panel of energy efficient technology suppliers listed by the transferring officer • A municipality may apply to the transferring officer, by no later than 31 July 2026 to utilise a maximum of 15 per cent of the total annual allocation to undertake specified planning activities to embed the Mitigation Action Facility project, provided that these conform to the list of eligible activities identified by the transferring officer, including: o investment pipeline development (excluding direct project preparation) o development of infrastructure financing strategies and instruments o utilisation of a minimum of 50 per cent capital expenditure as co-funding for the Mitigation Action Facility projects
Allocation criteria	• Allocations for this grant will be based on the following • An assessment of applications based on: o high backlogs; rural bias; number of planned households per project; past performance o integration with other programmes such as the district developmentmodel, the National Development Plan, catalytic projects, and mining towns o the financial, technical and staff capabilities to distribute electricity and expand and maintain networks o consultation with communities through the Integrated Development Plan (IDP) process o ensuring that universal access objectives are fast-tracked o connecting informal settlements where service delivery has been prioritised 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 o municipalities that have responded to the request for proposals issued by the DEE and that show readiness and capacity to implement EEDSM projects o municipalities with higher electricity consumption and higher electricity saving potential as well as with clearly defined objectives on energy efficiency improvements o proposals that use proven energy efficient technologies with low pay-back periods o municipalities that are participating in the Mitigation Action Facility Support Project o good past performance if a municipality has previously participated in the programme o quality, viability and financial feasibility of proposed projects
Reason not incorporated in equitable share	• This is a specific conditional capital grant that supports both the electrification of households and the EEDSM programme
Past performance	**2024/25 audited financial outcomes - INEP** • R1.7 billion was allocated and transferred to municipalities, of which R1.4 billion (82.3 per cent) was spent by the end of the financial year **2024/25 audited financial outcomes – EEDSM** • R235 million was allocated and transferred to participating municipalities, of which R212 million (90.2 per cent) was spent by the end of the financial year
	2024/25 service delivery performance – INEP • 52 954 households were connected including connections funded from roll-overs **2024/25 service delivery performance - EEDSM** • A total electricity saving of 19.5MWh per annum was reported by municipalities against the total projected electricity consumption baseline of 21.5 MWh per annum
Projected life	• The grant will continue until 2028/29, subject to review
MTEF allocations	• 2026/27: R1.9 billion 2027/28: R2 billion 2028/29: R2 billion

Integrated National Electrification Programme (Municipal) Grant	
Payment schedule	• Transfers are made in accordance with a payment schedule approved by the National Treasury
Responsibilities of national transferring officer and receiving officer	**Responsibilities of national department** • Agree with municipalities on outputs and targets • Continuously monitor implementation and provide support to municipalities • Verify reports from municipalities • Ensure that the payment schedule is aligned to the timelines for projected expenditure on each project • Enter into the Memorandum of Agreement (MoA) with municipalities • Monitoring and evaluation of the EEDSM programme including measurement and verification of energy savings • Make available to municipalities, the lighting technology technical specifications guideline and support them through capacity building workshops on best practices and pricing for EEDSM projects • Communicate to municipalities the process and requirements for obtaining EEDSM grant funds in 2026/27 • Develop a fair and open process to establish a panel of competent service providers with technical expertise and suppliers of energy efficient technology to support municipalities during the implementation of EEDSM projects • Provide technical support to municipalities participating in the Mitigation Action Facility support project of South Africa
	Responsibilities of Municipalities • Municipalities must appoint service providers by 01 July 2026 • Ensure that projects are implemented in line with what is reflected in the IDP of the municipality • 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 • Maintain and operate electricity infrastructure in line with licence conditions • Agree and sign the addendum with the transferring officer after the reallocation of funds • Submit EEDSM proposals as per the request for proposals issued by DEE • Ensure that proposals are in the format and template provided by DEE • Implement the EEDSM measures as per the framework and contractual agreement • In the implementation of EEDSM projects, where necessary use service providers and/or energy efficient technology suppliers accredited and listed by DEE • Submit to the DEE detailed energy consumption baseline data and a business plan signed by the municipal manager before the start of the 2026/27 municipal financial year • Submit to the DEE the monthly, quarterly and annual performance reports approved by the Municipal Manager • 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 2027/28 business plans	• Application forms for INEP are sent to municipalities and the evaluation of all applications and business plan proposals received from municipalities is completed by 31 October 2026 • Appoint service providers during the last quarter of the 2026/27 financial year for projects to be funded in 2027/28 • Proposals for EEDSM must be submitted by 16 September 2026 and shall be evaluated against the in criteria set out in this framework and the request for proposals issued by DEE

Integrated National Electrification Programme (Eskom) Grant	
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 • Universal access to electricity and improvement in distribution infrastructure reliability
Outputs	• The number of household connections per annum • The number of installations with alternative energy technologies per annum • The number of substations completed • Kilometres of medium voltage lines completed • Implementation of labour-intensive delivery methods, in compliance with the Expanded Public Works Programme (EPWP) guidelines on electrification projects and the work opportunities created
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 5: Energy security and a just energy transition • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• Outcome indicators • Inputs • Output indicators • 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 • Projects must be prioritised by municipalities in their Integrated Development Plans (IDPs) before being approved for INEP (Eskom) grant funding • 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 • Eskom to comply with the DEE's requirements to provide approved bulk projects in their business plans • Eskom must spend at least 40 per cent of their previous transfers and comply with reporting provisions before subsequent tranches are transferred • By 30 December 2026, Eskom must have spent at least 60 per cent of their total INEP allocation, where allocations are equal or less than R800 million • 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 • 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 • 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: o high backlogs o rural bias o integration with other programmes such as the district development model, the National Development Plan, catalytic projects, and mining towns o the cost of a project is within benchmarked norms and standards 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	**2024/25 audited financial outcomes** • The grant was allocated R2.2 billion and the entire amount was transferred to Eskom, which subsequently spent R1.4 billion (63.6 per cent) by the end of the financial year
	2024/25 service delivery performance • 83 072 connections were completed at the end of the financial year (includes connections funded from roll-overs)
Projected life	• The grant will continue until 2028/29, subject to review
MTEF allocations	• 2026/27: R1.6 billion; 2027/28: R2.5 billion; and 2028/29: R2.5 billion
Payment schedule	• Payments 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** • Review and approve Eskom's outputs and targets • Continuously monitor implementation • Provide central coordination for bulk infrastructure • Approve submissions for refurbishment of critical infrastructure

Integrated National Electrification Programme (Eskom) Grant	
	Responsibilities of Eskom • 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) • Implement INEP according to the approved implementation guidelines • Report to the DEE and the National Treasury on monthly and quarterly progress on financial and non-financial performance of the grant • Report accurately and timeously on EPWP information
Process for approval of 2027/28 business plans	• Eskom and the DEE must ensure that all planned projects are in line with municipal IDPs and priority lists • Eskom and the DEE must ensure that planned projects are feasible and have gone through the pre-engineering process by 02 November 2026

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 • Enhanced institutional capabilities for effective coordination of spatial investment decisions • 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 **Social Facilitation:** • Number of informal settlements where community compacts were conducted **Phase 1** • Number of pre-feasibility studies conducted • Number of informal settlements re-blocked **Phase 2** • Hectares of land acquired as approved by the National Department as the Transferring Officer • Number of informal settlements benefitting from rudimentary services/interim municipal engineering services and/or any alternative technology • Number of engineering designs: water, sewer, roads and storm water drainage concluded • Number of layout plans approved **Phase 3** • Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services • Number of informal settlements supplied with bulk infrastructure projects/services • Number of serviced sites developed • Number of socioeconomic amenities delivered • Number of sites transferred to end users • Number of township establishments registered
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at 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 2026/27 financial year • Municipalities are required to submit an Informal Settlements Upgrading Business Plan, aligned with the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code, for each settlement identified for upgrading. The plan must be prepared in accordance with the template prescribed by the Department of Human Settlements (DHS), which includes the following: o project description o settlement name and global positioning system coordinates o project institutional arrangements o outputs and targets for services to be delivered o cash flow projections o procurement plan o risk management plan o number of re-blocking projects to be undertaken • Number of jobs opportunities to be created • Detailed project plans to be submitted for bulk infrastructure projects • 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 • Municipalities may utilise any of the stated outputs in the approved framework that are aligned to the sector standardised indicators and their Annual Performance Plans. Municipalities may request approval from the National Department for exemption to deviate from sector standardised indicators, that are not planned for the financial year • All projects that are listed in the business plan must be ready for implementation, registered on the Housing Subsidy System • Funds may only be used for disaster relief interventions in informal settlements based on a plan approved by the DHS • Funds should be utilised as per the UISP as defined in the National Housing Code • Business plans for this grant must be informed by the Municipal Informal Settlements Upgrading Strategy, which has to be aligned to the Provincial Informal Settlement Upgrading Strategy • Draft and final business plans for this grant must be aligned to municipal Integrated Development Plans • Municipal managers or duly delegated municipal officials must sign-off and confirm that projects captured in business plans are ready for implementation in the 2026/27 financial year and will yield the expenditure as per cashflows submitted • Final business plans must be submitted by 18 May 2026 • 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	
	• Metros 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 • Land acquisition, assembly and audit should be informed and accompanied by the human settlements comprehensive plan developed by the municipalities • There shall be no new acquisition of land parcels without the concurrence of the national department, including to respond to disaster incidents • Municipalities should ensure alignment between the infrastructure grants (provision of bulk) and the ISUPG • The transfer of the first tranche of funds is conditional upon the 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 • The flow of the second tranche will be conditional upon the: 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 o submission of the report with financial and non-financial information aligned to the approved upgrading plans • 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 • 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 • The payment schedules submitted by municipalities should be derived from and aligned to the cash flows contained in the approved business plans • A minimum of 70 per cent of the annual allocation must be used for delivery of serviced sites, including permanent municipal engineering services, in line with the MTDP targets • 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 • A maximum of 3 per cent of the total allocation should be earmarked for social facilitation • A maximum of 5 per cent of the annual allocation should be used for re-blocking • 1 per cent of the total allocation should be allocated to responding to fire-related disasters occurring within informal settlements • The grant shall not be utilised for operational requirements, including but not limited to honey suckers and maintenance of chemical toilets • Municipalities are allowed to shift budgets between projects in the business plan provided that: o no new projects are introduced into the business plan in-year without approval by the transferring officer o the delivery targets in the approved business plan are not reduced
Allocation criteria	• The grant is allocated to all metropolitan municipalities • 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	**2024/25 audited financial outcomes** • R4.5 billion was allocated and transferred to municipalities; and R4.4 billion (97.8 per cent) was spent
	2024/25 service delivery performance • Service delivery performance is as indicated in the performance evaluation report for 2024/25
Projected life	• This grant will continue until 2028/29, subject to review
MTEF allocations	• 2026/27: R4.4 billion; 2027/28: R5.1 billion; and 2028/29: R5.3 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** • Receive, assess and make determinations on the credibility of municipal informal settlements upgrading plans and the implementation readiness of projects captured therein • Develop a formal national bulk infrastructure planning framework in consultation with other sector departments, to guide sequencing, budgeting, and resource allocation across municipalities • Maintain the policy and programme and assist with interpretation of the policy, informal settlements upgrading business plans and individual upgrading plans • Monitor and evaluate municipal financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the UISP • Provide implementation assistance support to municipalities as may be required • Undertake structured and other visits to municipalities as is necessary • Facilitate structured intergovernmental forums for regular interaction with municipalities • 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 • The transferring officer should design and distribute a reporting template, before 1 July 2026, to be signed by a municipal manager or a duly delegated municipal officer to be submitted with monthly and quarterly reports by metropolitan municipalities

Informal Settlements Upgrading Partnership Grant: Municipalities	
	• Use the grant to leverage other forms of funding • Prioritise implementation of the gazetted priority projects • Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter • Submit an annual evaluation report for 2025/26 on the financial and non-financial performance of the grant to National Treasury by 30 October 2026 • 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
	Responsibilities of municipalities • Municipalities should ensure collaboration and involvement of communities and civil organisations in the signing of implementation protocols for projects to be implemented • Submit 2025/26 annual evaluation reports to DHS by 29 August 2026 • 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 • Develop long term municipal wide informal settlements upgrading strategy that will influence the annual business plan • Request assistance from the provincial department on any of the matters concerned if the municipality lacks the capacity, resources or expertise • Should ensure alignment between projected cash flows in the business plans and inputs into the payment schedule • Should ensure that the allocated grant funds are only used to implement the programmes and projects in the approved business plans • 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 • Implement approved projects in accordance with the UISP in the National Housing Code of 2009 • Fast-track the planning approval processes for informal settlements upgrading projects • Assume ownership of the engineering services installed • Manage, operate and maintain settlement areas developed under this programme • Coordinate and facilitate the provision of bulk and connector engineering services (including through funding from the main USDG) • 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 2026 • Identify lessons from the implementation of this grant and share these with DHS • Municipalities should submit a signed letter by a municipal manager or a delegated person, as an attachment to the monthly and quarterly reports • Detailed performance report per settlement (i.e., project level performance) report for phase 1-3 aligned to the business plan must be submitted quarterly • 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 • Municipalities must report on the percentage of their allocations awarded to companies owned by designated groups on a monthly and quarterly basis • Municipalities must submit financial performance reports by no later than 10 working days after the end of each month using a template as prescribed by DHS and signed by a municipal or duly delegated municipal official • The reports to be submitted by Municipalities must contain detailed performance report per settlement (i.e., project-level performance for Phases 1–3 aligned to the business plan) using the template prescribed by DHS and should be signed by the Municipal manager or a delegated municipal official • Each informal settlement should have a project specific upgrading plan available upon request by the DHS • Should on quarterly basis, report on the number of job opportunities created • Municipalities must submit monthly reports that include the outcome/effectiveness of the utilisation of the approved OPSCAP budget • After approval of rollover funds, Metros must submit an amended business plan with the rollover amount, and subsequent separate monthly progress reports on projects related to the approved rollover • A Metro that is allocated additional funding or reallocated funds that have been stopped from another Metro, must submit a revised business plan, and subsequent monthly progress reports on the use of the additional or reallocated funds
Process for approval of 2027/28 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 2027 • Final business plans must be submitted by no later than 15 June 2027

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: o supporting inclusive densification and transit-oriented urban development, integrating existing and new urban developments o increased investment in existing and new bulk and distribution for urban developments o Increase access to the quality of water and sanitation, electricity and energy, and solid waste management services o increased bulk infrastructure capacity for municipal services 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 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: o increased annual investment in renewal (rehabilitation and/or replacement) and expansion in municipal bulk and distribution infrastructure o increase in the provision of access to municipal bulk and link infrastructure, connector services and reticulations o increase in access to public and socio-economic amenities o construction/provision of internal engineering services, including backyarders and densification overlay zones o hectares of land already acquired as approved by the National Department of Human Settlements and rezoned for provision for subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments o number of inner-city buildings renovated/refurbished
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at 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 • Name of the grant or fund for which USDG acts as supplementary, per project • Approved project budget and total project expenditure to date • 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 • Municipalities may utilise any of the stated outputs in the approved framework that are aligned to the sector standardised indicators and their Annual Performance Plans. Municipalities may request approval from the National Department for exemption to deviate from sector standardised indicators, that are not planned for the financial year • Land acquisition, assembly and audit should be informed and accompanied by the human settlements comprehensive plan developed by the municipalities • There shall be no new acquisition of land parcels without the concurrence of the National Department, including to respond to disaster incidents • 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 • Municipalities must prioritise the completion of existing critical water, sanitation, roads, storm water and electricity projects by the end of the 2027/28 financial year • The flow of the first tranche is conditional upon: o approval of the municipal USDG business plan by the DHS o submission of the 2025/26 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 o submission of a final USDG plan that is aligned to the municipal IDP, SDBIP and national priorities by 18 May 2026 • The flow of the second tranche will be conditional upon the submission of the 2025/26 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

Urban Settlements Development Grant	
	• 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 • 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 • Municipalities must indicate the amounts of their annual allocations for spending on the identified national priority projects as approved by the National Department • 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 • 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 o 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 2026 Division of Revenue Act (DoRA) o municipalities are allowed to shift budgets between projects in the business plan provided that no new projects are introduced into the business plan in-year without approval by the transferring officer the delivery targets in the approved business plan are not reduced • 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 • An amount of R1.1 billion in 2026/27 is ring-fenced for the City of Johannesburg's Lufhereng Mixed Use Development Programme approved through the Budget Facility for Infrastructure • 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
Allocation criteria	• The grant is allocated to all metropolitan municipalities • The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2026 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data • 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	**2024/25 audited financial outcomes** • Of the R8.7 billion made available to municipalities, R8.6 billion (98.8per cent) was spent
	2024/25 service delivery performance • Service delivery performance is as indicated in the performance evaluation reports for 2024/25
Projected life	• This grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R4.1 billion; 2027/28: R2.9 billion; and 2028/29: R2.1 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** • Develop indicators for the outcomes and outputs • Convene a structured forum to meet with municipalities on a quarterly basis • Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities • 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 • Publish a guideline by 31 March 2026 on how municipalities should use capacity funds from this grant • Ensure collaboration between provinces and municipalities to promote area-based planning, budgeting and funding alignment as well as implementation support, where applicable • 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 • Participate in the municipal budget benchmarking process as and when indicated by the National Treasury • The transferring officer should design and distribute a template by 1 July 2026 to be signed by a municipal manager or a delegated municipal officer to be submitted with monthly and quarterly reports by metropolitan municipalities • The review of revised business plans must be finalised by the DHS within 14 days of submission by the municipality • Use this grant to leverage alternative financing mechanisms/instruments
	Responsibilities of other national sector departments • 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 • National Treasury will issue guidance notes, on requirements for turnaround strategies, institutional reforms and business plans for the trading services financing component

Urban Settlements Development Grant	
	Responsibilities of municipalities • Complete the business plan template and ensure accurate information and data is provided • 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 • 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 • Should ensure that the allocated grant funds are only used to implement the programmes and projects in the approved business plans • Comply with the terms and conditions of the receiving officer outlined in the 2026 DoRA • Ensure effective and efficient utilisation of the grant and alignment to the purpose and outputs of the grant • Ensure compliance with required intergovernmental forums, reporting, and accountability frameworks for human settlements • Ensure that the USDG is used to meet municipal priorities • Municipalities should submit a signed letter by a municipal manager or a delegated authorised person as an attachment to the monthly and quarterly reports • Municipalities must report on the percentage of their allocations spent on service provided by companies owned by designated groups on a quarterly basis • 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 • Municipalities must submit the financial performance reports within 10 working days after the end of the month • Use this grant to leverage alternative financing mechanisms/instruments • Municipalities must submit monthly reports that include the outcome/effectiveness of the utilisation of the approved OPSCAP budget • Municipalities are to use funds from this grant for inner city regeneration and reclamation of inner-city buildings through brown field projects • After approval of rollover funds, municipalities must submit an amended business plan with the rollover amount, and subsequent separate monthly progress reports on projects related to the approved rollover • A municipality that is allocated additional funding or reallocated funds that have been stopped from another Metro, must submit a revised business plan, and subsequent monthly progress reports on the use of the additional or reallocated funds
Process for approval of 2027/28 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, by 23 March 2027 • The final business plans must be submitted by 17 May 2027 • The business plan will be finalised before the start of the municipal financial year

NATIONAL TREASURY GRANTS

Infrastructure Skills Development Grant	
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 • Registered professionals with built environment qualifications (national diploma and/or degree) as per the statutory councils' requirements • 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 • Number of graduates recognised as registered professionals by the relevant statutory councils • Number of graduates employed as registered professionals within the built environment in local government
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • 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 • Municipalities must have a Project Management Unit • The business plan must be signed by the municipal manager • Graduates must be seconded to an entity (public or private) if no relevant training is available to develop the necessary competence of the graduates • 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 • 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 • Municipalities must provide training as per the road-to-registration requirements of the relevant statutory council • 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 • The ISDG funding is to be utilised exclusively for costs associated with the training and professional development process of graduates (refer to ISDG guidelines) • The business plan of a municipality must include an absorption strategy for the graduates within the municipality or any other municipality • A project administrator may be appointed per municipality for the purpose of the ISDG administration if approved by National Treasury (refer to ISDG guidelines) • 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 • Graduates must be assigned to a supervisor with experience in the same field as the graduates-in-training • 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 • Municipalities must submit monthly and quarterly reports timeously • Graduate reports and/or logbooks must be completed in the format of the statutory council and must be signed by the registered mentor/supervisor as required by statutory councils • Municipal Managers must sign a service level agreement (SLA) with the National Treasury and such an agreement must be adhered to • 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

Infrastructure Skills Development Grant	
Reasons not incorporated in equitable share	• This conditional grant is meant to develop technical skills within municipalities
Past performance	**2024/25 audited financial outcomes** • R160 million was allocated and transferred to 18 municipalities and R154 million (96 per cent) was spent
	2024/25 service delivery performance • The grant has created employment and training opportunities • Currently 400 graduates are in training • Since inception of the grant, 398 graduates have been professionally registered with the relevant statutory councils • 350 graduates are professionally registered and absorbed by the municipalities • 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 (58 graduates); Alfred Nzo (19 graduates); Sol Plaatje (13 graduates); John Taolo Gaetsewe (13graduates); King Sabata Dalindyebo (10 graduates); City of Cape Town (23 graduates); George (17 graduates); Alfred Duma (11 graduates); Thulamela (10 graduates); Vhembe (12); Ehlanzeni (7); Mafikeng (6).
Projected life	• The grant is expected to continue up to 2028/29
MTEF allocations	• 2026/27: R180 million; 2027/28: R187 million; and 2028/29: R193 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** • Issue guidelines and supporting documentation for the implementation of the ISDG • Rollout the ISDG in municipalities in compliance with the ISDG framework, guidelines and relevant prescripts • Manage, monitor and report on the programme • Ensure professional development is aligned to statutory council requirements • Monitor the registration progress of graduates with the relevant statutory councils by municipalities • Monitor financial and non-financial performance of the ISDG • Maintain graduates' database for the ISDG • Work with relevant stakeholders on policies, strategies and guidelines to recruit graduates into permanent positions in local government after they have registered as professionals • Participate in the review of the municipal capacity support system during 2026
	Responsibilities of municipalities • Comply with the requirements of the 2026 Division of Revenue Act, ISDG guidelines, service level agreement and the requirements of the relevant statutory councils • 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 • 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 • Provide the candidate with the requisite workspace, supervisor, tools of profession/trade and logistics to perform the recommended activities within their training plans • Continuously review and assess the candidates' work and progress on the road-to-registration and make recommendations for corrective action • Ensure that candidates attend professional development activities in accordance with their training plans, progress and the requirements of their respective statutory councils • Attend all meetings and workshops convened by the National Treasury relating to this grant • Support and supervise graduates on the road-to-registration training • 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 • Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury • Manage the utilisation of ISDG funds and report to the National Treasury • 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 • 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 • Municipalities must submit evidence of the graduates' registration to National Treasury when graduates have registered as professionals
Process for approval of 2027/28 business plans	• Participating municipalities must submit revised business plans to the National Treasury by 31 August 2026

Local Government Financial Management Grant	
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 • 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 • Appropriately skilled financial officers appointed in municipalities with financial management competencies beyond the minimum competencies' regulations • 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 • Number of interns serving on the internship programme • Number of municipalities that are compliant with the Standard Chart of Accounts (mSCOA)
Outcome(s) of government that this grant primarily contributes to	• Outcome 16: Improved service delivery at 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: o strengthen capacity and up-skilling officials in the budget and treasury office, internal audit and audit committees 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 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 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 • FMG support plan must be consistent with the conditions of the grant and be submitted timeously • Timely submission of reports with complete information as prescribed in the 2026 Division of Revenue Act (DoRA) • Accommodation, Travel and subsistence allowance are not covered by the grant • Expenditure must be maintained at appropriate levels • 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 • Council approved UIFW reduction strategy with clear monthly milestones for reduction per category of expenditure • 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 • Priority is given to municipalities: o with challenges/shortcomings in processes, procedures and systems to effectively implement the MFMA, as identified in the Financial Management Capability Maturity assessment 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	**2024/25 audited financial outcomes** • R582 million was allocated and transferred to 257 municipalities • R578 million was spent by municipalities
	2024/25 service delivery performance • 257 municipalities submitted FMG support plans • 2 802 graduate finance interns were serving on the internship programme in municipalities as at 30 June 2025 • 4069 interns have been permanently appointed since 2000 in municipalities • 4367 officials received statements of results for attaining the minimum competencies • 257 municipalities are budgeting and transacting using the municipal standard charts of accounts
Projected life	• This grant ongoing subject to review

Local Government Financial Management Grant	
MTEF allocations	• 2026/27: R614 million; 2027/28: R638 million; and 2028/29: R658 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** • Management, monitoring, and reporting on the programme • Transfer funds to municipalities in terms of the 2026 DoRA • Participate in the review of the municipal capacity support system during 2026
	Responsibilities of municipalities • Submit support plans which are consistent with the conditions of the grant • Submit reports consistent with the reporting requirements in the 2026 DoRA • 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 • Develop consultancy reduction plans on all financial management disciplines where consultants are appointed to perform such functions
Process for approval of 2027/28 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	
Transferring department	• National Treasury (Vote 8)
Grant schedule	• Schedule 5, 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 • 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 • Diversity of public and private capital investments leveraged into targeted locations • Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations • Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation • Strengthened and effective system of programme and project preparation in non-metro municipalities • Improved social cohesion and strengthened social safety net
Outputs	• Targeted locations with catalytic projects, defined as either: o urban hub precincts with secondary linkages and rural regional service centres o catalytic programmes within integration zones o built environment upgrade projects in urban townships and rural towns o leveraged third-party capital investment into targeted locations • The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events • Enhanced municipal strategic competencies in investment targeting, implementation, and urban management • Effective and transparent system for project approvals (clearly defined authorising environment) in the non-metro municipalities • Increased investment in programme and project preparation by the non-metro municipalities • Number of credible pipeline of projects developed by non-metro municipalities • Number of feasibility studies/strategies completed by non-metro municipalities
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• Outcome indicators • Output indicators • Inputs • Key activities
Conditions	• Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer • Submission of cash flow schedules with budgets and timeframes for capital grant (project) implementation as requested by the transferring officer • Programme execution is dependent on a sequential and formal acceptance/approval by the transferring officer of NDPG-related municipal plans or deliverables • 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 • Eligibility is restricted to non-metro municipalities which have committed to co-financing contributions • Transfers will be based on good performance in line with the work plans and approved projects submitted to National Treasury • Funds can only be spent on direct operating costs for programme and project preparation activities • 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: 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 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, inefficient spatial-historical development, improved connectivity and mobility (in particular through improved public transport networks)

Neighbourhood Development Partnership Grant	
	○ 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 ○ rural towns are selected according to population or population growth, location, economic potential and/or growth and governance and financial health ○ 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 • 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 slated for a phased conclusion by 2028/29
MTEF allocations	• 2026/27: R428 million; 2027/28: R263 million and 2028/29: R66 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** • 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: ○ notifying all municipalities of their allocation status ○ reporting in terms of the 2026 Division of Revenue Act (DoRA) ○ determining grant allocations for the Medium-Term Expenditure Framework period ○ governing the acceptance or approval milestones of NDPG-related municipal plans or deliverables ○ monitoring, managing and evaluating financial and non-financial performance ○ overseeing and enforcing the conditions of this grant ○ producing and disseminating toolkits, guidance and good practice notes that strengthen competencies and capabilities in investment targeting, implementation and urban management
	Responsibilities of municipalities • Compile and submit monthly and quarterly expenditure and progress reports in line with NDPG requirements and as stipulated in the 2026 DoRA • 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 • Provide adequate human resources capacity for the successful coordination and implementation of NDPG projects • 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 • Manage and monitor capital grant planning and implementation ensuring sound financial management and value for money • Maintain accurate and up to date grant and performance information as specified in NDPG management information formats and systems • Engage stakeholders to develop partnerships that leverage funding into the targeted locations • Enter and manage partnerships agreements to ensure that the desired project deliverables and objectives are met • Collect and provide evidence of funding leveraged into each precinct • Mainstream and reflect the NDPG development strategies and plans across the municipality, i.e., through the municipal: ○ Spatial Development Frameworks and capital investment frameworks (as a chapter in the municipal Spatial Development Framework) ○ Integrated Development Plans
Process for approval of 2027/28 business plans	• Submission of NDPG related municipal plans and/or deliverables within defined timeframes for the completion of projects currently in implementation • Plans and/or deliverables for these active projects must include an indication of: ○ the ability to attract and report on third-party funding leveraged ○ the quality of performance and progress reporting ○ 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 ○ activities relating to the establishment and institutionalisation of programme and project preparation timeously on an annual basis • Municipalities must submit close-out project and programme preparation work plans for review and approval, annually by July

Urban Development Financing Grant	
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 • 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 • 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: o improved financial sustainability, investment in new and existing infrastructure, efficiencies, and service delivery from trading services o strengthened and effective system of programme and project preparation in the metropolitan municipalities o improved municipal capacity to support infrastructure investment planning and prioritisation that supports long-term spatially transformed and integrated cities o improved social cohesion and strengthened social safety net 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 • Timebound operating investments to improve performance and management capacity of the three trading services • The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events • Enhanced municipal strategic competencies in investment targeting, implementation, and urban management • Urban networks anchored by spatially targeted nodes, supported by robust investment plans and well-coordinated intergovernmental project pipelines. • 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
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at local government
Details contained in the business plans	The following will be contained in the grant guideline documents: • Outcome indicators • Output indicators • Inputs • Key activities
Conditions	• Access to the metro trading services programme and eligibility for the grant is based on achieving the required audit outcomes and compliance with the submission requirements for Metro trading service turnaround strategies, Institutional reform roadmap, relevant versions of the business and investment plans and Performance Improvement Action Plans including the commitment to or achievement of the 8 minimum commitments where relevant • The grant is disbursed based on metro achievement of KPIs and targets in Performance Improvement Action Plans for each trading service verified by an Independent Verification Agent (IVA) as per the process set out in the Programme Operations Manual • Subsequent annual allocations will be adjusted subject to progress against the KPIs/targets set in the Performance Improvement Action Plans • 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 • Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer • The grant funds the following activities in targeted locations: o planning and the development of catalytic programmes and projects o the development of built environment upgrade projects in townships and key nodes • Transfers for project preparation support will be based on performance in line with the work plans and approved projects submitted to National Treasury • 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 • An amount of R54 million and R575 mil in 2026/27 is ring-fenced for the implementation of the Non-Revenue Water project in eThekwini Metropolitan and the alternative Waste Treatment Technology City of Johannesburg Municipalities through the Budget Facility for Infrastructure (BFI), and may only be used for the respective purposes of the project approved

Urban Development Financing Grant	
	• 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
Allocation criteria	• This grant will be disbursed based on the progressive achievement of clearly defined milestones linked to: o improvements in governance and accountability o financial performance, and o service delivery performance • For Metro Trading Services Financing, allocations will comprise of: o incentive allocations for eligible metros for each trading service from 2026/27 taking into account population and poverty as variable weights in the allocation formula o allocation may be adjusted according to annual verification of metro performance against targets in the Performance Improvement Action Plans • 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 • 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 2026/27 should be allocated towards the Metro trading services infrastructure investments • 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 • 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	**2024/25 audited financial outcomes** • Not applicable
	2024/25 service delivery performance • Not applicable
Projected life	• This grant continues until 2031/32, subject to review
MTEF allocations	• 2026/27: R9 billion; 2027/28: R10 billion; and 2028/29: R12.6 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** • 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 • Fund eligible business plans for each sector as per metro achievement of KPIs and targets in Performance Improvement Action Plans for each trading service • Notifying all municipalities of their allocation status, both directly and via the Division of Revenue Act (DoRA) • Provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme and the Neighbourhood Development Partnership Programme **Responsibilities of municipalities** • Prepare credible business plans/priority programmes and projects to National treasury • Compile and submit monthly and quarterly expenditure and progress reports in line with the requirements and as stipulated in the 2026 DoRA and as may be specified by the National Treasury • Submit a cash flow schedule with budgets and timeframes for technical assistance and/or capital grant implementation as may be requested by the transferring officer • 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 • 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 • Submit a signed letter by a municipal manager or a delegated authorised person as an attachment progress report • Mainstream and reflect the spatial targeting and urban network strategies across the municipality, i.e. through the municipal: o Spatial Development Frameworks and capital investment frameworks (as a chapter in the municipal Spatial Development Framework) o Integrated Development Plans
Process for approval of 2027/28 business plans	**Municipalities** • Submission of NDPP 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 NDPP window • Plans and/or deliverables must include an indication of: o the ability to attract and report on third-party funding leveraged

Urban Development Financing Grant	
	○ the quality of performance and progress reporting; and ○ the level of NDPP 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 • Submit Council-approved Performance Improvement Action Plans timeously • Submit progress reports timeously • Uploading of the relevant evidence of performance against minimum commitments and performance indicators by 15th August 2026 and 30 September 2026 for verification by the IVA **Transferring Officer** • Issue approval letters for which transfers/disbursements for each trade service will/are made against • Guidelines with allocation splits to be sent in advance before the commencement of each municipal financial year • Compile and submit monthly and quarterly expenditure and progress reports in line with the requirements and as stipulated in the 2026 DoRA

Smart Meters Grant	
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 • Optimised cash generation and cashflow through the implementation of prepayment systems for electricity/water service • Streamlined operations in electricity/water distribution and revenue generation for increased efficiency • Sustainable electricity/water operations for long-term viability • 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 • Number of bulk meters for water and electricity installed on behalf of the municipality • Reduction of technical distribution losses pertaining to the municipal electricity/water function • Percentage and Rand value improvement in revenue collection vs the baseline (collection prior to implementation)
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• Outcome indicators • Output indicators • Key activities • Inputs (resources)
Conditions	• By April 2026, municipalities must submit to the National Treasury: o council-approved smart meter business plans in the prescribed format with all required information; and 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) • In the third year of implementation, participating municipalities must gradually adjust tariffs to reflect the costs of smart meter maintenance and related grid systems • Municipalities must prioritise revenue collection improvements resulting from the installation • 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 • 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 2026/27 financial year, the grant will prioritise municipalities in the debt relief programme • Of the municipalities who have applied, preference will be given to those with: o council-approved business plans (per customer category and ward) o high potential for revenue generation/protection o high potential reduced electricity/water loss o viable and feasible projects 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	**2024/25 audited financial outcomes** • Not applicable
	2024/25 service delivery performance • Not applicable
Projected life	• This grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R796 million; and 2027/28: R828 million and 2028/29: R853 million
Payment schedule	• Payments are made in accordance with a payment schedule approved by National Treasury after verification of work performed
Responsibilities of the transferring officer and receiving officer	**Responsibilities of the national department** • Appoint the service providers in terms of the RT29 transversal tender to implement the smart solution • Agree with municipalities on outputs and targets • Continuously monitor implementation and provide support to municipalities • Verify reports from the appointed service providers and municipalities • 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

Smart Meters Grant	
	• Ensure that suitable agreements in terms of operation and maintenance plans are in place • Upon receipt of invoices from National Treasury's contracted service providers, Project Management Unit must verify work done before making payments • Enter into the contract with municipalities and the National Treasury appointed service providers
	Responsibilities of municipalities • 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 • 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 • Abide by National Treasury's planning and coordination for smart meter systems and related infrastructure • The municipality must make a facility available for the back-office monitoring • 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 • Track the saving emanating from the initiative in line with reporting requirements set by National Treasury • Accurately report grant management and submit service provider milestones, invoices, and reports to National Treasury • Establish/maintain meter implementation and monitoring function within two months of approval • Operate smart meters and system according to contract/license conditions • Undertake public consultation for business plans in relevant ward(s) and customer category(s)
Process for approval of 2027/28 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 2026

PUBLIC WORKS AND INFRASTRUCTURE GRANT

Expanded Public Works Programme Integrated Grant for Municipalities	
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 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: o road maintenance including but not limited to block paving and pothole patching o maintenance of buildings o low traffic volume roads and rural roads o basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure) o other economic and social infrastructure o tourism and cultural industries o waste management and cleaning services o parks and beautification o sustainable land-based livelihoods o energy including but not limited to retro-fitting and solar o home community based care services o early childhood development services o community nutrition programme o community safety programme o sports programme o other social services programmes
Outcome statements	• Contribute towards increased levels of employment • 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 • Number of people employed, trained and receiving income through the EPWP in the social, infrastructure and environment and culture sectors • Number of days worked per work opportunity created
Outcome(s) of government that this grant primarily contributes to	• Outcome 1: Increased employment and work opportunities • Outcome 16: Improved service delivery at local government
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, work opportunities to be created, and participants to be trained
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 EPWP Ministerial Determination, the EPWP Recruitment Guidelines and the National Minimum Wage Act of 2018 including applicable gazettes • Municipalities must register all EPWP projects on the DPWI's EPWP reporting system • 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 • Municipalities must maintain participants and payroll records as specified in the audit requirements in the EPWP grant manual and the Ministerial Determination • 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 • The EPWP grant can only be utilised for EPWP purposes, for projects only approved in each municipality's project list • To receive the first tranche of the allocation, eligible municipalities must submit signed EPWP integrated grant agreement and project list including a training plan by 30 June 2026 • Subsequent grant disbursements are conditional upon: o eligible municipalities reporting EPWP performance on the EPWP reporting system within the required timeframes o compliant reporting on EPWP Integrated Grant-funded projects and training o submitting on a quarterly basis, non-financial reports including the last quarter of the previous financial year o reporting on EPWP Integrated Grant expenditure monthly within the required time frames • Municipalities must implement their approved EPWP project list and meet agreed targets • Municipalities must ensure that EPWP branding is included as part of the project cost in line with the DPWI's corporate identity manual • Municipalities must ensure that 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 2026/27, a municipality must have reported at least 13 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2024/25 financial year. • Allocation criteria include:

Expanded Public Works Programme Integrated Grant for Municipalities	
	○ the number of FTEs created in the prior 18 months ○ past performance with regard to labour intensity in the creation of EPWP work opportunities ○ poverty headcount as a percentage from Community Survey 2016 ○ rural bias ○ 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
Past performance	**2024/25 audited financial outcomes** • The grant had an allocation of R560 million, 257 municipalities were eligible for the grant and 100 per cent of the allocation was transferred to these municipalities. R555 million of the transferred funds was spent by the end of the financial year
	2024/25 service delivery performance • 52 046 work opportunities were reported by 257 municipalities and validated on the EPWP system • 23 849FTE jobs were reported by 257 municipalities and validated on the EPWP system • Average duration of the work opportunities created has increased to 105 days
Projected life	• Grant continues until 2028/29, subject to review
MTEF allocations	• 2026/27: R586 million; 2027/28: R614 million; and 2028/29: R633 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** • Determine eligibility and set grant allocations and FTE targets for eligible municipalities • 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 • Support municipalities in the manner agreed to in the grant agreement, to: ○ identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria ○ apply the EPWP project selection criteria and EPWP guidelines to project design ○ report using the EPWP reporting system project implementation information including project outputs and expenditure • Monitor the performance and spending of municipalities according to the signed incentive agreement and assess progress towards their implementation of the EPWP project list • Disburse the grant to eligible municipalities that comply with the DoRA requirements • Report to the National Treasury progress against FTE targets and spending against the grant allocation within 45 days after end of each quarter • Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement • Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions • Conduct site visits to verify existence of the projects and identify where support is needed
	Responsibilities of the eligible municipalities • Develop an EPWP project list and sign the standard funding agreement with DPWI by 30 June 2026, agreeing to comply with the conditions of the grant before receiving any grant disbursement • Agree on the areas requiring technical support from DPWI upon signing the grant agreement • Ensure that reporting is done within the timelines stipulated in the grant agreement and that compliant information is captured in the EPWP reporting system • 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 • EPWP work opportunity reports must be captured on a monthly basis in order for progress to be assessed • Submit quarterly non-financial reports 30 days after the end of each quarter
Process for approval of 2027/28 business plans	• Municipalities must report performance on EPWP projects for the 2025/26 financial year by 15 October 2026 to be eligible for a grant allocation • Municipalities must submit a signed EPWP integrated agreement and project list by 30 June 2027

TRANSPORT GRANTS

Public Transport Network Grant	
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 • 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 • 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** • Number of average weekday passenger trips carried on Public Transport Network Grant (PTNG) funded networks • 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 • Percentage uptime for network operating systems as a proportion of the network's public operating hours • Passengers per network vehicle per average weekday **Network Infrastructure Component** • 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 • Plans and detailed designs related to IPTN infrastructure and operations
Outcome(s) of government that this grant primarily contributes to	• Outcome 16: Improved service delivery at local government
Details contained in the business plan	• This grant uses IPTN operational and related plans that include financial modelling
Conditions	• No new phases will be considered during the winding down phase • Projects must still be based on, and form part of, a strategic, municipal wide, long-term IPTN plan and strategy approved by the municipal council • 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 • 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 • 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 • The first tranche is subject to submission of milestones in terms of the template determined by DoT by 02 June 2026 or within seven working days upon adoption/approval by the municipal council, as part of the annual budget appropriation • 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 • To prevent fiscal dumping, municipalities must demonstrate that all expenditure in the final years of the grant is aligned with approved milestones and delivers value for money. Expenditure patterns will be closely monitored, and any evidence of rushed or low-quality spending may result in claw-back or withholding of future transfers • 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 • Allocations for this grant are made to fund the finalisation of ongoing projects that will not expand spending under the grant. Only projects that have or are near to completing implementation and operations will continue to be supported • Implementation of existing network phase(s) is funded through two components, with separate conditions applicable to each component as set out in the allocation criteria section below • Allocations for the Network Operations Component will be determined by DoT once municipalities submit an annual operations plan including financial forecasts for 2026/27 by 02 June 2026 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 • The second tranche is subject to cities submitting, by 31 July 2026, 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 2026/27 grant funds will be spent

Public Transport Network Grant	
	• 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 • 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 • An amount of R1.8 billion in 2026/27 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, the municipality is required to inform National Treasury and the transferring officer within 30 days of confirming the cost variations • 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 **Network Operations Component** • 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 • 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 • 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 • 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 • 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 • 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 • Municipalities are required to establish the specialist capacity to manage and monitor public transport system contracts and operations • 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 • Municipalities must enforce agreements that only legal operators operate on routes subject to compensation agreements **Network Infrastructure Component** • The grant can fund all IPTN-related infrastructure, including non-motorised transport, upgrades of existing public transport infrastructure, as well as maintenance of infrastructure and systems • 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 • No new infrastructure designed will be approved for any phase that is not under implementation with operations underway or near commencement • IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations) • 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 • 80 per cent of available funds are allocated according to the three public transport demand factors. The three equally weighted demand factors are: o size of population o size of economy o number of public transport users • 20 per cent of available funds are allocated through a base component shared equally between participating municipalities • In 2026/27, the performance incentive component is dormant as none of the cities met all three of the performance indicators outline below o coverage of costs from farebox: fare revenue as a percentage of direct operating costs (fuel, labour, operator administration and vehicle maintenance), which indicates a commitment to reducing operational costs, and is a measure of efficiency. The minimum threshold is 35 per cent 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 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

Public Transport Network Grant	
	• Allocations for the Network Operations Component are based on municipalities' Annual Operations Plans (to be submitted to DoT by 02 June 2026) which indicate the amount of the 2026/27 total allocation to be used within the rules of this component • Approval of these allocations is specified in the DoT allocation letter to municipalities and is based on the following rules: o DoT approval of the annual operations plan o the annual operations plan must be costed to meet specific operating targets per network phase to be achieved within the 2026/27 financial year to qualify for eligibility into the 2027/28 formula 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 o compensation for the economic rights of existing operators will no longer be funded from the grant for any new phase, it will only apply to existing phases that are operational or nearly operational
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	**2024/25 audited financial outcomes** • Of the net appropriated and thus gazetted R6.6 billion, R6 billion was transferred to municipalities • Of the transferred amount, R4 billion or 75 per cent was spent
	2024/25 service delivery performance: • **Cape Town:** Annual passenger trips totalled 20.25 million and fare revenue amounted to R347.5 million. The fleet delivered 18.07 million revenue kilometres, equal to 51 632 per bus, with daily passenger boardings per peak bus averaging 375. The system operated with 39 staffed stations and 527 drivers. The fleet comprised 350 buses, including 42 18m articulated buses, 98 12m buses, and 210 9m buses • **Johannesburg:** Annual passenger trips totalled 4.39 million with fare revenue of R71.5 million. The fleet achieved 76 373 revenue kilometres per bus and daily passenger boardings per peak bus averaged 146. A total of 60 vehicle operating licences were compensated, and 48 staffed stations were operational. The fleet comprised 169 buses, including 51 18m articulated buses and 118 12m buses • **Ekurhuleni:** Annual passenger trips totalled 3.32 million and fare revenue amounted to R32.5 million. The fleet of 56 12m buses achieved 40 111 revenue kilometres per bus, with daily passenger boardings per peak bus averaging 223. There were 9 staffed stations in service • **Tshwane:** Annual passenger trips amounted to 1.77 million with fare revenue of R23.2 million. The fleet achieved 1.13 million revenue kilometres, equal to 155 daily passenger boardings per peak bus. A total of 226 vehicle operating licences were compensated, and 12 staffed stations were in service • **Rustenburg:** Annual passenger trips totalled 1.58 million with fare revenue of R15.1 million. The fleet achieved 2.51 million revenue kilometres, equal to 24 398 per bus, with daily passenger boardings per peak bus averaging 120. A total of 181 vehicle operating licences were compensated, and 3 staffed stations were operational • **Polokwane:** Annual passenger trips amounted to 1.07 million with fare revenue of R5.4 million. The fleet of 26 12m buses achieved 900 000 revenue kilometres, equal to 34 615 per bus, supported by 1 staffed station • **Nelson Mandela Bay:** Annual passenger trips amounted to 801 542 with fare revenue of R6.2 million. The fleet included 12 18m articulated buses and 1 12m bus, achieving 522 687 revenue kilometres, equal to 40 207 per bus, with daily passenger boardings per peak bus averaging 298. A total of 200 vehicle operating licences were compensated • **George:** Annual passenger journeys amounted to 6.16 million with fare revenue of R108.3 million. The fleet of 133 buses (65 12m buses, 33 9m buses, and 35 6m buses) delivered 6.45 million revenue kilometres, equal to 48 509 per bus. Operations were supported by 1 staffed station
Projected life	• It is anticipated that 2028/29 will be the be the final year of the grant, subject to review
MTEF allocations	• 2026/27: R5.7 billion; 2027/28: R4.5 billion; and 2028/29: R3.7 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** • Disburse PTNG funds and monitor PTNG expenditure • Monitor IPTN implementation progress and operating performance in line with the NLTA and the public transport strategy • Verify reports from municipalities by conducting at least one site visit per annum • Allocate funds based on stated priorities through an allocation mechanism agreed to by the DoT and National Treasury, in alignment with the winding down of the grant • Review compensation agreements for economic rights to ensure they only cover existing phases that are operational or nearly operational • Review and comment on the network model submitted by each municipality • Evaluate the performance of the grant annually • 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 • Develop cost norms for ITS and include these in the annual PTNG guidelines and requirements circulated to municipalities by DoT • Submit copies of allocation letters and milestones to the National Treasury • 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 2026 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 2026 DoRA

Public Transport Network Grant	
	• In consultation with National Treasury, provide targeted technical assistance and capacity-building support to municipalities to facilitate effective transition planning, financial management, contract closure, and stakeholder engagement during the wind-down period
	Responsibilities of municipalities • Ensure that projects are implemented in line with approved business plans, reflected in the integrated development plan of the municipality, and are already prioritised with DoT • Ensure that the business plans and the additional plans listed below correctly demonstrate municipal management of the phase out of the grant: o network operational plans, including universal design access plans o business and financial plans (including financial modelling, economic evaluation, and operator transition plans) o institutional network management plans o engineering and architectural preliminary and detailed designs o public transport vehicle and technology plans o marketing and communication plans • Projects funded by this grant must promote the integration of the public transport networks in a municipality, through: o physical integration between different services within a single network o fare integration between different services o marketing integration with unified branding o institutional integration between the services o spatial integration, in conjunction with other grants directed at the built environment • Provide budget proposals for the PTNG funding that: o are based on sound operational and financial plans that cover direct vehicle company operating costs from local sources at a minimum o indicate the intended allocations between the network operations component and network infrastructure component • Each municipality must submit a detailed transition and exit plan as part of its business plan. This plan must outline how PTNG-funded services, assets, and staff will be integrated into municipal budgets or alternative funding streams, and how service continuity for users will be maintained after the grant ends • 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 • Compile and submit data that indicates the efficiency and effectiveness of operational services in the formats and use the indicators defined by the DoT • All assets procured with PTNG funds must remain the property of the municipality and be incorporated into municipal asset registers
Process for approval of 2027/28 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 2026. The plans should include plans for how all municipal owned bus services will be integrated into the 10-year IPTN programme, taking into consideration the winding down of the grant • 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 2027/28 financial year • Municipalities that fail to pass the eligibility criteria will be informed by 28 August 2026 and may be asked to resubmit plans

Rural Roads Asset Management Systems Grant	
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) • Traffic data • Data on condition of structures (including bridges and culverts) as per prescribed Technical Methods for Highways (TMH 19 series) • Borrow Pit Management data • Safety assessments data • Prioritised project list for roads to inform Municipal Infrastructure Grant project selection • Number of graduates recruited for data collection purposes
Outcome(s) of government that this grant primarily contributes to	• Outcome 16: Improved service delivery at local government
Details contained in the business plan	• This grant uses Road Asset Management Plans (RAMPs)/business plans which contain the following details: o network hierarchy o performance management framework o gap analysis o information systems o lifecycle planning o current and future demand o financial plan o monitoring o reviewing 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 2026 • Transfer of the second tranche is conditional on compliance with monthly and quarterly signed report submissions to the national Department of Transport (DoT), and the relevant provincial roads authorities • Road authorities must conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road asset data • 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 • For Road Infrastructure Strategic Framework for South Africa Class R1, R2 and R3 roads, data collection requirements are: o visual condition data not older than two years for pavements and five years for bridges o instrumental pavement data for roughness, rut depth and macro texture not older than two years o instrumental pavement data for structural strength not older than five years o traffic data not older than three years • For Road Infrastructure Strategic Framework for South Africa Class R4 and R5 roads, data requirements are: o visual condition data not older than three years for pavements and five years for bridges o instrumental pavement data for roughness, rut depth and macro texture not older than four years on paved roads only o traffic data not older than five years • All road condition data collected must be submitted to the national DoT, and the relevant provincial roads authorities by 31 May 2026 • 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 • 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 • 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 • This framework must be read in conjunction with the RRAMS practice note and DoRA
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	**2024/25 audited financial outcomes** • Of the R120 million allocated and transferred to municipalities, R95 million (79 per cent) was spent **2024/25 service delivery performance** • 9776 kilometres of paved road network and 38 064 kilometres of unpaved road network were assessed • 28 210 structures identified by the programme in the district municipalities receiving the grant • 123 graduates were recruited into the programme
Projected life	• This grant continues until 2028/29, subject to review

Rural Roads Asset Management Systems Grant	
MTEF allocations	• 2026/27: R131 million; 2027/28: R136 million; and 2028/29: R141 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** • Monitor the implementation of RAMS together with provincial road authorities • Undertake data integrity checks • Provide guidance on sustainable RAMS operations and standards • Facilitate interaction between local municipalities and district municipalities in using RRAMS outputs as guidance in municipal road infrastructure management • Manage, monitor and report on the programme • Ensure agreement on the RAMP with participating municipalities • Ensure that municipal road authorities conduct regular condition assessments for paved and unpaved roads, structure, traffic data and any other road asset data • 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 • Municipalities must make provision to maintain RAMS after the lifespan of the grant • Data for all rural roads to be updated within their frequency of collection as per Technical Method for Highways (TMH) • 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 • Ensure human capacity at municipalities for the operation of RAMS is built • 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 • Identify and train municipal officials that will be recipients of skills transfer • Ensure that municipal officials participate actively in all activities funded through this grant • Ensure systems and practices developed through this grant are sustained as part of the operations of the municipality • 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 • Submit updated RAMS data in TMH 18 format by 31 May 2026 • Submit a 10 per cent verification report of the road network assessed by 01 June 2026
Process for approval of 2027/28 business plans	• District municipalities must submit a draft RAMP/business plan and accompanied by a completed TMH22 checklist to DoT by 30 April 2027 • District municipalities must submit the final RAMP/business plan signed off by the accounting officer and accompanied by a completed TMH22 checklist by 30 June 2027 • RAMP must contain the following: o the extent of the road network in the municipality o the proportion of municipal roads with updated data captured on its RAMS o the condition of the network in the municipality o the maintenance and rehabilitation need of the municipal road network o the status of the municipality's RAMS o status of institutionalisation of RAMS in the district municipality • 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 • 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 • Proper wastewater management and disposal enabled through regional wastewater infrastructure
Outputs	• Number of regional bulk water and sanitation projects phases under construction • Number of projects/project phases completed • Number of households targeted to benefit from bulk water and sanitation supply • Number of municipalities benefitting from bulk water and sanitation projects • Number of job opportunities created through implementation of bulk infrastructure projects • Number of households provided with water and sanitation through local source development
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• This grant uses approved implementation readiness studies (IRS) for new projects and conditional assessment reports for refurbishment projects which include the following: o inception/scoping report o technical feasibility report o preliminary and final detailed designs and cost estimates • 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 • 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 • All sources of funding for the full cost of the project must be outlined in the IRS and the MoU • 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) • Funds may only be used for disaster interventions based on a business plan approved by DWS • Feasibilities studies must consider the results of the green drop, blue drop and no drop assessments in prioritising projects • Municipalities must demonstrate in their IRS how they plan to manage, operate and maintain the infrastructure over the long term • R1.5 billion in 2026/27 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: o R579 million for Sol Plaatje Local Municipality for the implementation of the Integrated Bulk Supply System Intervention project o R255 million for Drakenstein Local Municipality for the implementation of the sanitation infrastructure project o R688 million for Polokwane Local Municipality for the implementation of a regional wastewater treatment works project • 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 • 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 • All legislative requirements for planning, including EIAs, WULAs, Servitude Agreements, WSDP must be met **Schedule 5, Part B allocations** • Municipalities must spend grant funds in line with the IRS and detailed designs approved by DWS • Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second transfers are made • 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 • Grant funds must be reflected in the capital budget of the municipality

Regional Bulk Infrastructure Grant	
	• 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 **Schedule 6, Part B allocations** • This grant can be used to build enabling infrastructure required to connect or protect water resources over significant distances with bulk and reticulation systems • The IRS or conditional assessment and MoU must be approved by DWS before project commences • 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: o demand and availability of water o the overall infrastructure needs o the strategic nature of the project o socio-economic importance of an area o impact of the project • 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 • Projects may cross municipal boundaries
Past performance	**2024/25 audited financial outcome** • **Direct transfers (Schedule 5, Part B)** o R3.6 billion was allocated and transferred to municipalities, and was fully spent • **Allocations-in-kind (Schedule 6, Part B)** o Of the budget allocation of R3.1 billion, R3 billion (99 per cent) was spent
	2024/25 service delivery performance • Tweleve (12) projects and phases were completed: (1) Nelson Mandela Bay Drought Intervention: Upgrade East to West bulk water pipeline Phase 1 of 3 (2) James Kleynhans phase 2 (3) Misgund BWS Phase 1 of 1 (4) Kirkwood BWS Phase 1 of 1(5) Mooihoek BWS Phase 4 of 4 (6) Moutse Phase -12(7) Empuluzi phase 3 of 8, Empuluzi phase 5 of 8, Empuluzi phase 6 of 8 and Empuluzi phase 7 of 8 (8) Msukaligwa Cluster 2 (Phase 1 of 2) and Msukaligwa Cluster 2 (Phase 2 of 2)(9) Eerstehoek Phase 3 of 4 and Eerstehoek Phase 4 of 4 (10) Metsimaholo Deneysville WWTW (11) Welbedacht BWS: Construction of New Bypass Pipeline from Leuiwkop Chamber to Brandkop Reservoir; (12) Calvinia BWS phase 1 of 1 • 102 project phases were under construction
Projected life	• This grant continues until 2028/29, subject to review
MTEF allocations	**Direct transfers (Schedule 5, Part B):** • 2026/27: R3.9 billion; 2027/28: R3.9 billion; and 2028/29: R3.6 billion **Allocations-in-kind (Schedule 6, Part B):** • 2026/27: R3.2 billion; 2027/28: R3.3 billion; and 2028/29: R3.4 billion
Payment schedule	• Transfers for Schedule 5, Part B allocations are made in terms of a payment schedule approved by National Treasury • 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** • Ensure every municipality benefiting from a specific project or scheme is invited to participate in the feasibility study, conditional assessment and IRS processes complies to the RBIG Planning Guidelines • 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 • If required, ensure the necessary authorisations including environmental impact assessment and water use licences are obtained and servitude agreements • Ensure that the land assessment is done prior to project implementation • Provide detailed information on the selection criteria and conditions for the grant (RBIG Programme Implementation Framework) • Ensure that suitable agreements in terms of operation and maintenance are in place • Issue project funding approval letters to benefiting municipalities • Ensure that implementing agents submit monthly financial and quarterly non-financial reports on stipulated dates • Upon receipt of invoices from DWS's contracted implementing agents for Schedule 6, Part B projects, verify work done before making payments • Ensure implementation of groundwater development projects comply to the groundwater SOP development document
	Responsibilities of water services authorities • Ensure that projects are appropriately linked to the municipality's IDP and WSDP for projects funded through the MIG and the WSIG • 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 • Ensure integration of planning, funding, timing and implementation of bulk and reticulation projects • Ensure provision of reticulation services and/or reticulation infrastructure to connect to the bulk infrastructure funded through this grant • Municipalities to promote the inclusion of adopted innovative solution(s) in water and sanitation infrastructure project(s) development and management

Regional Bulk Infrastructure Grant	
	• 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 2027/28 business plans	• All proposed projects which comply with the RBIG criteria must be registered and listed in DWS's bulk master plans • 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 • Pre-feasibility studies must assess potential for WC/WDM interventions • IRS and feasibility studies will be evaluated and approved by the transferring officer • 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 • Projects requiring co-funding exemptions to be submitted to DWS by 31 July 2026 and DWS to make recommendations to the National Treasury by 02 September 2026

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 • 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 (WC/WDM) projects • Support the close-out of the existing Bucket Eradication Programme intervention in formal residential areas • 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: o reticulated water supply o on site sanitation 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 o source identification o water conservation/water demand management provision • Number of Water Services Infrastructure Grant (WSIG) projects under construction • Number of WSIG projects completed • Number of job opportunities created through implementation of water and sanitation projects
Outcome(s) of government that this grant primarily contributes to	• Outcome 4: Increased infrastructure investment and job creation • Outcome 16: Improved service delivery at local government
Details contained in the business plan	• Outcome indicators • Project overview • Project costing • Project milestones • Impact declaration • 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 • Municipalities must demonstrate in their business plans how they plan to manage, operate and maintain the infrastructure over the long term • The maximum cost for a WSIG project is R120 million and implementation should not be longer than three years • Projects must be aligned to bulk infrastructure and must be at the scheme level • Business plans must consider the results of the green drop, blue drop, and no drop assessments in prioritising projects • 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 **Schedule 5, Part B allocations** • 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) • DWS must approve the business plans before projects can be implemented • Municipalities must only spend funds in line with approved business plans • Municipalities must spend at least 25 per cent of their first transfer and comply with the reporting provisions before the second transfers are made • 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 • Municipalities must submit monthly financial and quarterly non-financial reports to DWS • Funds must be reflected in the capital budget of the municipality • Grant funds must not be spent on operations and maintenance • The Project Management Unit funded through the Municipal Infrastructure Grant should be utilised to manage the implementation of projects funded through this grant • Funds may only be used for disaster relief interventions based on a plan approved by DWS • 5 per cent of the total project cost may be used for planning for the specific project **Schedule 6, Part B allocations** • 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	**2024/25 audited financial outcomes**
	• **Direct transfers (Schedule 5, Part B)**
	  o Of the R4 billion allocated and transferred to municipalities, R3.5 billion (88 per cent) was spent
	• **Allocations-in-kind (Schedule 6, Part B):**
	  o R1.1 million was allocated and fully spent

	2024/25 service delivery performance • 199 678 households served • 808 jobs created
Projected life	• This grant continues until 2028/29, subject to review
MTEF allocations	**Direct transfers (Schedule 5, Part B):** • 2026/27: R4.4 billion; 2027/28: R4.6 billion; and 2028/29: R4.7 billion **Allocations-in-kind (Schedule 6, Part B):** • 2026/27: R1.3 billion; 2027/28: R1.4 billion; and 2028/29: R1.4 billion
Payment schedule	• For Schedule 5, Part B, transfers are made in accordance with a payment schedule approved by National Treasury • 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** • Evaluate and approve the business plans for each project before funds can be transferred • Ensure that the conditions of the grant and approved business plans are adhered to • Ensure that the results of the green drop, blue drop and no drop assessments are considered in the planning and prioritisation of projects • For Schedule 6B allocations, ensure that implementing agents submit monthly financial and quarterly non-financial reports • Ensure alignment of WSIG projects with projects approved in the MIG implementation plans • In cases where DWS appoints a contractor, the contract between DWS and the appointed contractor must be signed before the project can commence • All drought-related plans and expenditure must be shared with the National Disaster Management Centre • Submit a water services capacity building plan for municipalities to National Treasury by 26 June 2026 • Ensure implementation of groundwater development projects comply to the groundwater SOP development document
	Responsibilities of water services authorities • Compile and submit signed-off business plans for each project aligned to the WSIG framework and SOP (for the relevant financial year) • Sustainably operate and maintain funded water and sanitation projects over their lifetime • Ensure integrated planning for all projects funded through the different grants and programmes • Municipalities must submit a technical report for each project to the regional office • Ensure adequate participation and involvement of the public in each project • 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 • Manage project implementation in line with the business plan • Submit monthly, quarterly and annual progress reports in the format prescribed by DWS • Comply with all the funding conditions agreed to in the business plan and MoU • Municipalities to promote the inclusion of adopted innovative solution(s) in water and sanitation infrastructure project(s) development and management • 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 2027/28 business plans	• Municipalities must submit a technical report for each project to the regional office by 1 July 2026
	• Regional offices must assess and approve technical reports by 17 August 2026
	• Municipalities must prepare business plans based on the approved technical reports
	• Business plans for allocations:
	  o business plans must be submitted by 30 October 2026
	  o business plans must be approved by 02 February 2027
	• Municipalities must submit implementation plans by 27 May 2027

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE														
A	BUF	Buffalo City	9 500	10 000	10 000	1 200	1 400	1 600	4 024	-	-	14 724	11 400	11 600
A	NMA	Nelson Mandela Bay	8 500	9 000	9 000	1 200	1 400	1 600	2 929	-	-	12 629	10 400	10 600
B	EC101	Dr Beyers Naude	-	-	-	3 000	3 100	3 100	1 398	-	-	4 398	3 100	3 100
B	EC102	Blue Crane Route	-	-	-	2 600	2 700	2 800	1 369	-	-	3 969	2 700	2 800
B	EC104	Makana	-	-	-	4 000	4 000	4 000	1 365	-	-	5 365	4 000	4 000
B	EC105	Ndlambe	-	-	-	2 700	2 800	2 900	1 593	-	-	4 293	2 800	2 900
B	EC106	Sundays River Valley	-	-	-	3 800	3 800	3 800	1 484	-	-	5 284	3 800	3 800
B	EC108	Kouga	-	-	-	1 917	2 201	2 429	2 006	-	-	3 923	2 201	2 429
B	EC109	Kou-Kamma	-	-	-	2 600	2 700	2 800	1 559	-	-	4 159	2 700	2 800
C	DC10	Sarah Baartman District Municipality	-	-	-	1 200	1 300	1 400	1 306	-	-	2 506	1 300	1 400
Total: Sarah Baartman Municipalities			**-**	**-**	**-**	**21 817**	**22 601**	**23 229**	**12 080**	**-**	**-**	**33 897**	**22 601**	**23 229**
B	EC121	Mbhashe	-	-	-	2 100	2 200	2 300	2 425	-	-	4 525	2 200	2 300
B	EC122	Mnquma	-	-	-	2 200	2 300	2 300	2 010	-	-	4 210	2 300	2 300
B	EC123	Great Kei	-	-	-	2 600	2 700	2 800	1 351	-	-	3 951	2 700	2 800
B	EC124	Amahlathi	-	-	-	2 400	2 500	2 600	1 949	-	-	4 349	2 500	2 600
B	EC126	Ngqushwa	-	-	-	3 000	3 100	3 100	1 661	-	-	4 661	3 100	3 100
B	EC129	Raymond Mhlaba	-	-	-	2 900	3 000	3 000	2 116	-	-	5 016	3 000	3 000
C	DC12	Amathole District Municipality	-	-	-	2 700	2 800	2 900	2 016	-	-	4 716	2 800	2 900
Total: Amathole Municipalities			**-**	**-**	**-**	**17 900**	**18 600**	**19 000**	**13 528**	**-**	**-**	**31 428**	**18 600**	**19 000**
B	EC131	Inxuba Yethemba	-	-	-	3 000	3 100	3 100	2 248	-	-	5 248	3 100	3 100
B	EC135	Intsika Yethu	-	-	-	2 300	2 400	2 500	2 243	-	-	4 543	2 400	2 500
B	EC136	Emalahleni	-	-	-	3 000	3 100	3 100	1 803	-	-	4 803	3 100	3 100
B	EC137	Dr. A.B. Xuma	-	-	-	2 100	2 200	2 300	2 124	-	-	4 224	2 200	2 300
B	EC138	Sakhisizwe	-	-	-	3 000	3 100	3 100	1 634	-	-	4 634	3 100	3 100
B	EC139	Enoch Mgijima	-	-	-	3 000	3 100	3 100	2 949	-	-	5 949	3 100	3 100
C	DC13	Chris Hani District Municipality	-	-	-	2 500	2 600	2 700	2 394	-	-	4 894	2 600	2 700
Total: Chris Hani Municipalities			**-**	**-**	**-**	**18 900**	**19 600**	**19 900**	**15 395**	**-**	**-**	**34 295**	**19 600**	**19 900**
B	EC141	Elundini	-	-	-	2 000	2 100	2 200	2 320	-	-	4 320	2 100	2 200
B	EC142	Senqu	-	-	-	2 000	2 100	2 200	2 218	-	-	4 218	2 100	2 200
B	EC145	Walter Sisulu	-	-	-	2 400	2 500	2 600	2 171	-	-	4 571	2 500	2 600
C	DC14	Joe Gqabi District Municipality	-	-	-	2 000	2 100	2 200	2 401	-	-	4 401	2 100	2 200
Total: Joe Gqabi Municipalities			**-**	**-**	**-**	**8 400**	**8 800**	**9 200**	**9 110**	**-**	**-**	**17 510**	**8 800**	**9 200**
B	EC153	Ngquza Hill	-	-	-	3 000	3 100	3 100	1 824	-	-	4 824	3 100	3 100
B	EC154	Port St Johns	-	-	-	2 700	2 800	2 900	1 842	-	-	4 542	2 800	2 900
B	EC155	Nyandeni	-	-	-	2 000	2 100	2 200	1 838	-	-	3 838	2 100	2 200
B	EC156	Mhlontlo	-	-	-	2 500	2 600	2 700	2 025	-	-	4 525	2 600	2 700
B	EC157	King Sabata Dalindyebo	5 000	5 000	6 000	3 000	3 100	3 100	2 676	-	-	10 676	8 100	9 100
C	DC15	O.R. Tambo District Municipality	-	-	-	2 200	2 300	2 400	5 059	-	-	7 259	2 300	2 400
Total: O.R. Tambo Municipalities			**5 000**	**5 000**	**6 000**	**15 400**	**16 000**	**16 400**	**15 264**	**-**	**-**	**35 664**	**21 000**	**22 400**
B	EC441	Matatiele	-	-	-	2 000	2 200	2 300	2 988	-	-	4 988	2 200	2 300
B	EC442	Umzimvubu	-	-	-	2 000	2 100	2 200	2 625	-	-	4 625	2 100	2 200
B	EC443	Winnie Madikizela-Mandela	-	-	-	2 300	2 400	2 500	2 944	-	-	5 244	2 400	2 500
B	EC444	Ntabankulu	-	-	-	2 900	3 000	3 000	2 673	-	-	5 573	3 000	3 000
C	DC44	Alfred Nzo District Municipality	5 500	6 000	6 000	2 200	2 300	2 400	3 023	-	-	10 723	8 300	8 400
Total: Alfred Nzo Municipalities			**5 500**	**6 000**	**6 000**	**11 400**	**12 000**	**12 400**	**14 253**	**-**	**-**	**31 153**	**18 000**	**18 400**
Total: Eastern Cape Municipalities			**28 500**	**30 000**	**31 000**	**96 217**	**100 401**	**103 329**	**86 583**	**-**	**-**	**211 300**	**130 401**	**134 329**

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		
			2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
FREE STATE														
A	MAN	Mangaung	-	-	-	2 200	2 300	2 400	2 158	-	-	4 358	2 300	2 400
B	FS161	Letsemeng	-	-	-	3 000	3 100	3 100	1 320	-	-	4 320	3 100	3 100
B	FS162	Kopanong	-	-	-	2 500	2 600	2 700	1 348	-	-	3 848	2 600	2 700
B	FS163	Mohokare	-	-	-	3 000	3 100	3 100	1 269	-	-	4 269	3 100	3 100
B	FS164	New Municipality	-	-	-	-	-	-	-	-	-	-	-	-
C	DC16	Xhariep District Municipality	-	-	-	2 000	2 100	2 200	1 344	-	-	3 344	2 100	2 200
Total: Xhariep Municipalities			**-**	**-**	**-**	**10 500**	**10 900**	**11 100**	**5 281**	**-**	**-**	**15 781**	**10 900**	**11 100**
B	FS181	Masilonyana	-	-	-	2 700	2 800	2 900	1 500	-	-	4 200	2 800	2 900
B	FS182	Tokologo	-	-	-	3 000	3 100	3 100	1 372	-	-	4 372	3 100	3 100
B	FS183	Tswelopele	-	-	-	2 300	2 400	2 500	1 601	-	-	3 901	2 400	2 500
B	FS184	Matjhabeng	-	-	-	3 000	3 100	3 100	2 306	-	-	5 306	3 100	3 100
B	FS185	Nala	-	-	-	3 000	3 100	3 100	1 391	-	-	4 391	3 100	3 100
C	DC18	Lejweleputswa District Municipality	-	-	-	1 200	1 400	1 600	-	-	-	1 200	1 400	1 600
Total: Lejweleputswa Municipalities			**-**	**-**	**-**	**15 200**	**15 900**	**16 300**	**8 170**	**-**	**-**	**23 370**	**15 900**	**16 300**
B	FS191	Setsoto	-	-	-	2 200	2 300	2 400	2 003	-	-	4 203	2 300	2 400
B	FS192	Dihlabeng	-	-	-	2 800	2 900	2 900	1 791	-	-	4 591	2 900	2 900
B	FS193	Nketoana	-	-	-	2 900	3 000	3 000	1 728	-	-	4 628	3 000	3 000
B	FS194	Maluti-a-Phofung	-	-	-	3 000	3 100	3 100	2 289	-	-	5 289	3 100	3 100
B	FS195	Phumelela	-	-	-	2 600	2 600	2 700	1 487	-	-	4 087	2 600	2 700
B	FS196	Mantsopa	-	-	-	3 000	3 100	3 100	1 453	-	-	4 453	3 100	3 100
C	DC19	Thabo Mofutsanyana District Municipality	-	-	-	2 500	2 600	2 700	1 879	-	-	4 379	2 600	2 700
Total: Thabo Mofutsanyana Municipalities			**-**	**-**	**-**	**19 000**	**19 600**	**19 900**	**12 630**	**-**	**-**	**31 630**	**19 600**	**19 900**
B	FS201	Moqhaka	-	-	-	2 500	2 600	2 700	1 421	-	-	3 921	2 600	2 700
B	FS203	Ngwathe	-	-	-	3 000	3 100	3 100	2 622	-	-	5 622	3 100	3 100
B	FS204	Metsimaholo	-	-	-	2 800	2 900	2 900	1 594	-	-	4 394	2 900	2 900
B	FS205	Mafube	-	-	-	3 000	3 100	3 100	1 329	-	-	4 329	3 100	3 100
C	DC20	Fezile Dabi District Municipality	-	-	-	1 600	1 800	2 000	1 347	-	-	2 947	1 800	2 000
Total: Fezile Dabi Municipalities			**-**	**-**	**-**	**12 900**	**13 500**	**13 800**	**8 313**	**-**	**-**	**21 213**	**13 500**	**13 800**
Total: Free State Municipalities			**-**	**-**	**-**	**59 800**	**62 200**	**63 500**	**36 552**	**-**	**-**	**96 352**	**62 200**	**63 500**
GAUTENG														
A	EKU	City of Ekurhuleni	-	-	-	1 200	1 500	1 700	15 269	-	-	16 469	1 500	1 700
A	JHB	City of Johannesburg	6 000	6 000	6 000	1 200	1 400	1 600	5 361	-	-	12 561	7 400	7 600
A	TSH	City of Tshwane	-	-	-	2 200	2 300	2 400	12 798	-	-	14 998	2 300	2 400
B	GT421	Emfuleni	-	-	-	2 200	2 300	2 400	3 891	-	-	6 091	2 300	2 400
B	GT422	Midvaal	-	-	-	2 200	2 300	2 400	2 177	-	-	4 377	2 300	2 400
B	GT423	Lesedi	-	-	-	2 200	2 300	2 400	1 423	-	-	3 623	2 300	2 400
C	DC42	Sedibeng District Municipality	-	-	-	1 700	1 900	2 100	1 739	-	-	3 439	1 900	2 100
Total: Sedibeng Municipalities			**-**	**-**	**-**	**8 300**	**8 800**	**9 300**	**9 230**	**-**	**-**	**17 530**	**8 800**	**9 300**
B	GT481	Mogale City	-	-	-	2 100	2 200	2 300	1 640	-	-	3 740	2 200	2 300
B	GT484	Merafong City	-	-	-	2 900	3 000	3 000	1 749	-	-	4 649	3 000	3 000
B	GT485	Rand West City	-	-	-	2 200	2 300	2 400	2 284	-	-	4 484	2 300	2 400
C	DC48	West Rand District Municipality	-	-	-	1 500	1 600	1 800	1 452	-	-	2 952	1 600	1 800
Total: West Rand Municipalities			**-**	**-**	**-**	**8 700**	**9 100**	**9 500**	**7 125**	**-**	**-**	**15 825**	**9 100**	**9 500**
Total: Gauteng Municipalities			**6 000**	**6 000**	**6 000**	**21 600**	**23 100**	**24 500**	**49 783**	**-**	**-**	**77 383**	**29 100**	**30 500**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
KWAZULU-NATAL														
A	ETH	eThekwini	27 000	27 429	34 000	1 200	1 300	1 500	7 490	-	-	35 690	28 729	35 500
B	KZN212	uMdoni	-	-	-	2 200	2 300	2 400	1 664	-	-	3 864	2 300	2 400
B	KZN213	uMzumbe	-	-	-	2 100	2 200	2 300	1 509	-	-	3 609	2 200	2 300
B	KZN214	uMuziwabantu	-	-	-	2 200	2 300	2 400	1 588	-	-	3 788	2 300	2 400
B	KZN216	Ray Nkonyeni	-	-	-	2 200	2 300	2 400	2 434	-	-	4 634	2 300	2 400
C	DC21	Ugu District Municipality	-	-	-	2 200	2 300	2 400	3 019	-	-	5 219	2 300	2 400
Total: Ugu Municipalities			**-**	**-**	**-**	**10 900**	**11 400**	**11 900**	**10 214**	**-**	**-**	**21 114**	**11 400**	**11 900**
B	KZN221	uMshwathi	-	-	-	2 200	2 300	2 400	1 774	-	-	3 974	2 300	2 400
B	KZN222	uMngeni	-	-	-	2 100	2 200	2 300	1 745	-	-	3 845	2 200	2 300
B	KZN223	Mpofana	-	-	-	3 000	3 100	3 100	1 459	-	-	4 459	3 100	3 100
B	KZN224	iMpendle	-	-	-	2 600	2 700	2 800	1 582	-	-	4 182	2 700	2 800
B	KZN225	Msunduzi	-	-	-	2 200	2 300	2 400	2 096	-	-	4 296	2 300	2 400
B	KZN226	Mkhambathini	-	-	-	3 000	3 100	3 100	2 126	-	-	5 126	3 100	3 100
B	KZN227	Richmond	-	-	-	2 200	2 300	2 400	1 966	-	-	4 166	2 300	2 400
C	DC22	uMgungundlovu District Municipality	-	-	-	1 200	1 300	1 500	1 832	-	-	3 032	1 300	1 500
Total: uMgungundlovu Municipalities			**-**	**-**	**-**	**18 500**	**19 300**	**20 000**	**14 580**	**-**	**-**	**33 080**	**19 300**	**20 000**
B	KZN235	Okhahlamba	-	-	-	2 100	2 200	2 300	2 018	-	-	4 118	2 200	2 300
B	KZN237	iNkosi Langalibalele	-	-	-	3 500	3 600	3 600	1 647	-	-	5 147	3 600	3 600
B	KZN238	Alfred Duma	4 000	5 500	5 000	2 200	2 300	2 400	3 111	-	-	9 311	7 800	7 400
C	DC23	uThukela District Municipality	-	-	-	2 200	2 300	2 400	2 187	-	-	4 387	2 300	2 400
Total: uThukela Municipalities			**4 000**	**5 500**	**5 000**	**10 000**	**10 400**	**10 700**	**8 963**	**-**	**-**	**22 963**	**15 900**	**15 700**
B	KZN241	eNdumeni	-	-	-	2 200	2 300	2 400	1 545	-	-	3 745	2 300	2 400
B	KZN242	Nquthu	-	-	-	2 100	2 200	2 300	1 698	-	-	3 798	2 200	2 300
B	KZN244	uMsinga	-	-	-	2 100	2 200	2 300	1 960	-	-	4 060	2 200	2 300
B	KZN245	uMvoti	-	-	-	2 700	2 800	2 900	2 166	-	-	4 866	2 800	2 900
C	DC24	uMzinyathi District Municipality	-	-	-	3 000	3 100	3 100	4 969	-	-	7 969	3 100	3 100
Total: uMzinyathi Municipalities			**-**	**-**	**-**	**12 100**	**12 600**	**13 000**	**12 338**	**-**	**-**	**24 438**	**12 600**	**13 000**
B	KZN252	Newcastle	-	-	-	2 100	2 200	2 300	2 168	-	-	4 268	2 200	2 300
B	KZN253	eMadlangeni	-	-	-	3 000	3 100	3 100	1 371	-	-	4 371	3 100	3 100
B	KZN254	Dannhauser	-	-	-	2 200	2 300	2 400	1 709	-	-	3 909	2 300	2 400
C	DC25	Amajuba District Municipality	-	-	-	3 800	3 800	3 800	1 835	-	-	5 635	3 800	3 800
Total: Amajuba Municipalities			**-**	**-**	**-**	**11 100**	**11 400**	**11 600**	**7 083**	**-**	**-**	**18 183**	**11 400**	**11 600**
B	KZN261	eDumbe	-	-	-	3 000	3 100	3 100	1 507	-	-	4 507	3 100	3 100
B	KZN262	uPhongolo	-	-	-	3 000	3 100	3 100	1 984	-	-	4 984	3 100	3 100
B	KZN263	AbaQulusi	-	-	-	3 000	3 100	3 100	2 929	-	-	5 929	3 100	3 100
B	KZN265	Nongoma	-	-	-	2 200	2 300	2 400	2 159	-	-	4 359	2 300	2 400
B	KZN266	Ulundi	-	-	-	2 200	2 300	2 400	2 983	-	-	5 183	2 300	2 400
C	DC26	Zululand District Municipality	-	-	-	1 500	1 600	1 800	5 379	-	-	6 879	1 600	1 800
Total: Zululand Municipalities			**-**	**-**	**-**	**14 900**	**15 500**	**15 900**	**16 941**	**-**	**-**	**31 841**	**15 500**	**15 900**
B	KZN271	uMhlabuyalingana	-	-	-	2 200	2 300	2 400	2 081	-	-	4 281	2 300	2 400
B	KZN272	Jozini	-	-	-	3 000	3 000	3 000	2 549	-	-	5 549	3 000	3 000
B	KZN275	Inkosi uMtubatuba	-	-	-	2 200	2 300	2 400	1 884	-	-	4 084	2 300	2 400
B	KZN276	Big Five Hlabisa	-	-	-	2 800	2 900	2 900	1 752	-	-	4 552	2 900	2 900
C	DC27	uMkhanyakude District Municipality	-	-	-	3 100	3 100	3 100	3 991	-	-	7 091	3 100	3 100
Total: uMkhanyakude Municipalities			**-**	**-**	**-**	**13 300**	**13 600**	**13 800**	**12 257**	**-**	**-**	**25 557**	**13 600**	**13 800**
B	KZN281	uMfolozi	-	-	-	2 000	2 100	2 200	2 264	-	-	4 264	2 100	2 200
B	KZN282	uMhlathuze	-	-	-	2 600	2 700	2 800	3 342	-	-	5 942	2 700	2 800
B	KZN284	uMlalazi	-	-	-	2 000	2 100	2 200	2 567	-	-	4 567	2 100	2 200
B	KZN285	Mthonjaneni	-	-	-	2 800	2 900	2 900	1 959	-	-	4 759	2 900	2 900
B	KZN286	Nkandla	-	-	-	2 600	2 700	2 800	2 749	-	-	5 349	2 700	2 800
C	DC28	King Cetshwayo District Municipality	-	-	-	1 400	1 500	1 700	4 537	-	-	5 937	1 500	1 700
Total: King Cetshwayo Municipalities			**-**	**-**	**-**	**13 400**	**14 000**	**14 600**	**17 418**	**-**	**-**	**30 818**	**14 000**	**14 600**
B	KZN291	Mandeni	-	-	-	2 000	2 100	2 200	1 524	-	-	3 524	2 100	2 200
B	KZN292	KwaDukuza	-	-	-	2 000	2 100	2 200	1 823	-	-	3 823	2 100	2 200
B	KZN293	Ndwedwe	-	-	-	3 000	3 100	3 100	2 156	-	-	5 156	3 100	3 100
B	KZN294	Maphumulo	-	-	-	2 000	2 100	2 200	1 946	-	-	3 946	2 100	2 200
C	DC29	iLembe District Municipality	-	-	-	1 200	1 300	1 500	3 301	-	-	4 501	1 300	1 500
Total: iLembe Municipalities			**-**	**-**	**-**	**10 200**	**10 700**	**11 200**	**10 750**	**-**	**-**	**20 950**	**10 700**	**11 200**
B	KZN433	Greater Kokstad	-	-	-	2 000	2 100	2 200	1 792	-	-	3 792	2 100	2 200
B	KZN434	Johannes Phumani Phungula	-	-	-	2 100	2 200	2 300	1 690	-	-	3 790	2 200	2 300
B	KZN435	uMzimkhulu	-	-	-	2 000	2 100	2 200	2 616	-	-	4 616	2 100	2 200
B	KZN436	Dr Nkosazana Dlamini Zuma	-	-	-	2 100	2 200	2 300	1 811	-	-	3 911	2 200	2 300
C	DC43	Harry Gwala District Municipality	-	-	-	1 400	1 500	1 700	3 007	-	-	4 407	1 500	1 700
Total: Harry Gwala Municipalities			**-**	**-**	**-**	**9 600**	**10 100**	**10 700**	**10 916**	**-**	**-**	**20 516**	**10 100**	**10 700**
Total: KwaZulu-Natal Municipalities			**31 000**	**32 929**	**39 000**	**125 200**	**130 300**	**134 900**	**128 950**	**-**	**-**	**285 150**	**163 229**	**173 900**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
LIMPOPO														
B	LIM331	Greater Giyani	-	-	-	2 500	2 600	2 700	3 366	-	-	5 866	2 600	2 700
B	LIM332	Greater Letaba	-	-	-	2 100	2 200	2 300	2 597	-	-	4 697	2 200	2 300
B	LIM333	Greater Tzaneen	-	-	-	2 100	2 200	2 300	5 211	-	-	7 311	2 200	2 300
B	LIM334	Ba-Phalaborwa	-	-	-	3 000	3 100	3 100	1 675	-	-	4 675	3 100	3 100
B	LIM335	Maruleng	-	-	-	2 000	2 200	2 300	1 519	-	-	3 519	2 200	2 300
C	DC33	Mopani District Municipality	-	-	-	3 000	3 000	3 000	5 929	-	-	8 929	3 000	3 000
Total: Mopani Municipalities			**-**	**-**	**-**	**14 700**	**15 300**	**15 700**	**20 297**	**-**	**-**	**34 997**	**15 300**	**15 700**
B	LIM341	Musina	-	-	-	3 000	3 100	3 100	1 928	-	-	4 928	3 100	3 100
B	LIM343	Thulamela	5 000	5 500	5 000	2 000	2 100	2 300	4 521	-	-	11 521	7 600	7 300
B	LIM344	Makhado	-	-	-	2 100	2 200	2 300	3 346	-	-	5 446	2 200	2 300
B	LIM345	Collins Chabane	-	-	-	2 600	2 700	2 800	1 979	-	-	4 579	2 700	2 800
C	DC34	Vhembe District Municipality	5 255	5 500	5 000	3 000	3 100	3 100	3 365	-	-	11 620	8 600	8 100
Total: Vhembe Municipalities			**10 255**	**11 000**	**10 000**	**12 700**	**13 200**	**13 600**	**15 139**	**-**	**-**	**38 094**	**24 200**	**23 600**
B	LIM351	Blouberg	-	-	-	2 500	2 600	2 700	1 616	-	-	4 116	2 600	2 700
B	LIM353	Molemole	-	-	-	2 300	2 400	2 500	1 401	-	-	3 701	2 400	2 500
B	LIM354	Polokwane	18 000	18 000	16 000	2 500	2 600	2 700	5 254	-	-	25 754	20 600	18 700
B	LIM355	Lepele-Nkumpi	-	-	-	2 100	2 200	2 300	2 107	-	-	4 207	2 200	2 300
C	DC35	Capricorn District Municipality	-	-	-	1 200	1 400	1 600	2 754	-	-	3 954	1 400	1 600
Total: Capricorn Municipalities			**18 000**	**18 000**	**16 000**	**10 600**	**11 200**	**11 800**	**13 132**	**-**	**-**	**41 732**	**29 200**	**27 800**
B	LIM361	Thabazimbi	-	-	-	3 000	3 000	3 000	1 309	-	-	4 309	3 000	3 000
B	LIM362	Lephalale	-	-	-	2 000	2 200	2 200	1 461	-	-	3 461	2 200	2 200
B	LIM366	Bela-Bela	-	-	-	2 000	2 100	2 200	1 632	-	-	3 632	2 100	2 200
B	LIM367	Mogalakwena	-	-	-	3 500	3 500	3 500	1 740	-	-	5 240	3 500	3 500
B	LIM368	Modimolle-Mookgophong	-	-	-	2 600	2 700	2 800	1 899	-	-	4 499	2 700	2 800
C	DC36	Waterberg District Municipality	-	-	-	1 200	1 400	1 600	-	-	-	1 200	1 400	1 600
Total: Waterberg Municipalities			**-**	**-**	**-**	**14 300**	**14 900**	**15 300**	**8 041**	**-**	**-**	**22 341**	**14 900**	**15 300**
B	LIM471	Ephraim Mogale	-	-	-	3 000	3 000	3 000	1 584	-	-	4 584	3 000	3 000
B	LIM472	Elias Motsoaledi	-	-	-	2 800	2 900	2 900	2 771	-	-	5 571	2 900	2 900
B	LIM473	Makhuduthamaga	-	-	-	2 000	2 200	2 300	2 590	-	-	4 590	2 200	2 300
B	LIM476	Fetakgomo Tubatse	-	-	-	2 600	2 700	2 800	3 168	-	-	5 768	2 700	2 800
C	DC47	Sekhukhune District Municipality	-	-	-	2 500	2 600	2 700	8 044	-	-	10 544	2 600	2 700
Total: Sekhukhune Municipalities			**-**	**-**	**-**	**12 900**	**13 400**	**13 700**	**18 157**	**-**	**-**	**31 057**	**13 400**	**13 700**
Total: Limpopo Municipalities			**28 255**	**29 000**	**26 000**	**65 200**	**68 000**	**70 100**	**74 766**	**-**	**-**	**168 221**	**97 000**	**96 100**
MPUMALANGA														
B	MP301	Chief Albert Luthuli	-	-	-	2 100	2 200	2 300	3 101	-	-	5 201	2 200	2 300
B	MP302	Msukaligwa	-	-	-	3 800	3 800	3 800	2 738	-	-	6 538	3 800	3 800
B	MP303	Mkhondo	-	-	-	3 000	3 100	3 100	2 251	-	-	5 251	3 100	3 100
B	MP304	Dr Pixley ka Isaka Seme	-	-	-	2 500	2 600	2 700	1 903	-	-	4 403	2 600	2 700
B	MP305	Lekwa	-	-	-	2 800	2 900	2 900	1 530	-	-	4 330	2 900	2 900
B	MP306	Dipaleseng	-	-	-	2 800	2 900	2 900	1 453	-	-	4 253	2 900	2 900
B	MP307	Govan Mbeki	24 000	24 000	24 000	3 500	3 500	3 500	2 859	-	-	30 359	27 500	27 500
C	DC30	Gert Sibande District Municipality	14 000	14 000	14 000	1 300	1 500	1 700	1 852	-	-	17 152	15 500	15 700
Total: Gert Sibande Municipalities			**38 000**	**38 000**	**38 000**	**21 800**	**22 500**	**22 900**	**17 687**	**-**	**-**	**77 487**	**60 500**	**60 900**
B	MP311	Victor Khanye	-	-	-	2 000	2 100	2 200	2 134	-	-	4 134	2 100	2 200
B	MP312	Emalahleni	-	-	-	3 000	3 000	3 000	4 057	-	-	7 057	3 000	3 000
B	MP313	Steve Tshwete	-	-	-	2 000	2 100	2 200	2 989	-	-	4 989	2 100	2 200
B	MP314	Emakhazeni	-	-	-	4 000	4 000	4 000	1 926	-	-	5 926	4 000	4 000
B	MP315	Thembisile Hani	-	-	-	2 000	2 100	2 200	2 679	-	-	4 679	2 100	2 200
B	MP316	Dr JS Moroka	-	-	-	2 500	2 600	2 700	2 492	-	-	4 992	2 600	2 700
C	DC31	Nkangala District Municipality	-	-	-	1 200	1 400	1 600	2 510	-	-	3 710	1 400	1 600
Total: Nkangala Municipalities			**-**	**-**	**-**	**16 700**	**17 300**	**17 900**	**18 787**	**-**	**-**	**35 487**	**17 300**	**17 900**
B	MP321	Thaba Chweu	-	-	-	3 000	3 100	3 100	2 210	-	-	5 210	3 100	3 100
B	MP324	Nkomazi	-	-	-	2 000	2 200	2 300	4 500	-	-	6 500	2 200	2 300
B	MP325	Bushbuckridge	-	-	-	2 600	2 700	2 800	3 588	-	-	6 188	2 700	2 800
B	MP326	City of Mbombela	-	-	-	2 600	2 700	2 800	5 254	-	-	7 854	2 700	2 800
C	DC32	Ehlanzeni District Municipality	3 000	4 000	4 500	1 200	1 400	1 600	1 933	-	-	6 133	5 400	6 100
Total: Ehlanzeni Municipalities			**3 000**	**4 000**	**4 500**	**11 400**	**12 100**	**12 600**	**17 485**	**-**	**-**	**31 885**	**16 100**	**17 100**
Total: Mpumalanga Municipalities			**41 000**	**42 000**	**42 500**	**49 900**	**51 900**	**53 400**	**53 959**	**-**	**-**	**144 859**	**93 900**	**95 900**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
NORTHERN CAPE													
B	NC061 Richtersveld	-	-	-	2 600	2 700	2 700	1 340	-	-	3 940	2 700	2 700
B	NC062 Nama Khoi	-	-	-	3 000	3 100	3 100	1 708	-	-	4 708	3 100	3 100
B	NC064 Kamiesberg	-	-	-	3 000	3 000	3 000	-	-	-	3 000	3 000	3 000
B	NC065 Hantam	-	-	-	2 100	2 200	2 300	1 319	-	-	3 419	2 200	2 300
B	NC066 Karoo Hoogland	-	-	-	2 600	2 700	2 700	-	-	-	2 600	2 700	2 700
B	NC067 Khâi-Ma	-	-	-	2 900	2 900	2 900	-	-	-	2 900	2 900	2 900
C	DC6 Namakwa District Municipality	-	-	-	2 100	2 200	2 300	1 317	-	-	3 417	2 200	2 300
Total: Namakwa Municipalities		**-**	**-**	**-**	**18 300**	**18 800**	**19 000**	**5 684**	**-**	**-**	**23 984**	**18 800**	**19 000**
B	NC071 Ubuntu	-	-	-	2 900	3 000	3 000	1 320	-	-	4 220	3 000	3 000
B	NC072 Umsobomvu	-	-	-	2 100	2 200	2 200	1 338	-	-	3 438	2 200	2 200
B	NC073 Emthanjeni	-	-	-	2 000	2 100	2 100	1 242	-	-	3 242	2 100	2 100
B	NC074 Kareeberg	-	-	-	2 800	2 900	3 000	1 278	-	-	4 078	2 900	3 000
B	NC075 Renosterberg	-	-	-	3 000	3 100	3 100	1 255	-	-	4 255	3 100	3 100
B	NC076 Thembelihle	-	-	-	3 000	3 000	3 000	-	-	-	3 000	3 000	3 000
B	NC077 Siyathemba	-	-	-	2 600	2 600	2 700	1 292	-	-	3 892	2 600	2 700
B	NC078 Siyancuma	-	-	-	2 600	2 600	2 700	1 354	-	-	3 954	2 600	2 700
C	DC7 Pixley Ka Seme District Municipality	-	-	-	2 000	2 100	2 200	1 275	-	-	3 275	2 100	2 200
Total: Pixley Ka Seme Municipalities		**-**	**-**	**-**	**23 000**	**23 600**	**24 000**	**10 354**	**-**	**-**	**33 354**	**23 600**	**24 000**
B	NC082 !Kai !Garib	-	-	-	3 400	3 400	3 400	1 334	-	-	4 734	3 400	3 400
B	NC084 !Kheis	-	-	-	3 000	3 100	3 100	-	-	-	3 000	3 100	3 100
B	NC085 Tsantsabane	-	-	-	3 000	3 100	3 100	1 239	-	-	4 239	3 100	3 100
B	NC086 Kgatelopele	-	-	-	2 700	2 700	2 800	1 335	-	-	4 035	2 700	2 800
B	NC087 Dawid Kruiper	-	-	-	3 000	3 100	3 100	1 292	-	-	4 292	3 100	3 100
C	DC8 Z.F. Mgcawu District Municipality	-	-	-	1 300	1 400	1 600	1 274	-	-	2 574	1 400	1 600
Total: Z.F. Mgcawu Municipalities		**-**	**-**	**-**	**16 400**	**16 800**	**17 100**	**6 474**	**-**	**-**	**22 874**	**16 800**	**17 100**
B	NC091 Sol Plaatjie	5 000	5 500	5 500	2 000	2 100	2 200	3 409	-	-	10 409	7 600	7 700
B	NC092 Dikgatlong	-	-	-	3 000	3 100	3 100	1 399	-	-	4 399	3 100	3 100
B	NC093 Magareng	-	-	-	3 000	3 100	3 100	1 350	-	-	4 350	3 100	3 100
B	NC094 Phokwane	-	-	-	2 800	2 800	2 900	1 268	-	-	4 068	2 800	2 900
C	DC9 Frances Baard District Municipality	-	-	-	1 200	1 300	1 500	1 352	-	-	2 552	1 300	1 500
Total: Frances Baard Municipalities		**5 000**	**5 500**	**5 500**	**12 000**	**12 400**	**12 800**	**8 778**	**-**	**-**	**25 778**	**17 900**	**18 300**
B	NC451 Joe Morolong	-	-	-	3 000	3 000	3 000	1 446	-	-	4 446	3 000	3 000
B	NC452 Ga-Segonyana	-	-	-	3 000	3 000	3 000	1 420	-	-	4 420	3 000	3 000
B	NC453 Gamagara	-	-	-	2 100	2 200	2 200	1 463	-	-	3 563	2 200	2 200
C	DC45 John Taolo Gaetsewe District Municipality	5 000	5 500	5 000	1 200	1 300	1 500	1 306	-	-	7 506	6 800	6 500
Total: John Taolo Gaetsewe Municipalities		**5 000**	**5 500**	**5 000**	**9 300**	**9 500**	**9 700**	**5 635**	**-**	**-**	**19 935**	**15 000**	**14 700**
Total: Northern Cape Municipalities		**10 000**	**11 000**	**10 500**	**79 000**	**81 100**	**82 600**	**36 925**	**-**	**-**	**125 925**	**92 100**	**93 100**
NORTH WEST													
B	NW371 Moretele	-	-	-	2 900	2 900	3 000	2 485	-	-	5 385	2 900	3 000
B	NW372 Madibeng	-	-	-	2 900	3 000	3 000	4 155	-	-	7 055	3 000	3 000
B	NW373 Rustenburg	-	-	-	2 000	2 100	2 200	2 964	-	-	4 964	2 100	2 200
B	NW374 Kgetlengrivier	-	-	-	3 000	3 000	3 000	1 489	-	-	4 489	3 000	3 000
B	NW375 Moses Kotane	-	-	-	2 100	2 200	2 300	1 700	-	-	3 800	2 200	2 300
C	DC37 Bojanala Platinum District Municipality	-	-	-	2 000	2 100	2 200	1 839	-	-	3 839	2 100	2 200
Total: Bojanala Platinum Municipalities		**-**	**-**	**-**	**14 900**	**15 300**	**15 700**	**14 632**	**-**	**-**	**29 532**	**15 300**	**15 700**
B	NW381 Ratlou	-	-	-	3 000	3 000	3 000	1 674	-	-	4 674	3 000	3 000
B	NW382 Tswaing	-	-	-	3 000	3 100	3 100	1 538	-	-	4 538	3 100	3 100
B	NW383 Mafikeng	3 000	4 000	4 500	3 000	3 100	3 100	1 776	-	-	7 776	7 100	7 600
B	NW384 Ditsobotla	-	-	-	2 600	2 600	2 700	1 301	-	-	3 901	2 600	2 700
B	NW385 Ramotshere Moiloa	-	-	-	2 400	2 500	2 600	1 915	-	-	4 315	2 500	2 600
C	DC38 Ngaka Modiri Molema District Municipality	-	-	-	3 000	3 000	3 000	3 445	-	-	6 445	3 000	3 000
Total: Ngaka Modiri Molema Municipalities		**3 000**	**4 000**	**4 500**	**17 000**	**17 300**	**17 500**	**11 649**	**-**	**-**	**31 649**	**21 300**	**22 000**
B	NW392 Naledi	-	-	-	2 800	2 900	3 000	2 628	-	-	5 428	2 900	3 000
B	NW393 Mamusa	-	-	-	3 000	3 000	3 000	1 456	-	-	4 456	3 000	3 000
B	NW394 Greater Taung	-	-	-	3 000	3 100	3 100	2 006	-	-	5 006	3 100	3 100
B	NW396 Lekwa-Teemane	-	-	-	3 000	3 000	3 000	1 522	-	-	4 522	3 000	3 000
B	NW397 Kagisano-Molopo	-	-	-	3 000	3 000	3 000	2 227	-	-	5 227	3 000	3 000
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	-	-	-	3 600	3 700	3 700	1 692	-	-	5 292	3 700	3 700
Total: Dr Ruth Segomotsi Mompati Municipalities		**-**	**-**	**-**	**18 400**	**18 700**	**18 800**	**11 531**	**-**	**-**	**29 931**	**18 700**	**18 800**
B	NW403 City of Matlosana	-	-	-	3 000	3 000	3 000	1 999	-	-	4 999	3 000	3 000
B	NW404 Maquassi Hills	-	-	-	3 600	3 600	3 600	1 444	-	-	5 044	3 600	3 600
B	NW405 JB Marks	-	-	-	3 000	3 100	3 100	1 882	-	-	4 882	3 100	3 100
C	DC40 Dr Kenneth Kaunda District Municipality	-	-	-	1 200	1 300	1 500	1 568	-	-	2 768	1 300	1 500
Total: Dr Kenneth Kaunda Municipalities		**-**	**-**	**-**	**10 800**	**11 000**	**11 200**	**6 893**	**-**	**-**	**17 693**	**11 000**	**11 200**
Total: North West Municipalities		**3 000**	**4 000**	**4 500**	**61 100**	**62 300**	**63 200**	**44 705**	**-**	**-**	**108 805**	**66 300**	**67 700**

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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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
WESTERN CAPE														
A	CPT	City of Cape Town	26 000	26 000	27 000	1 200	1 300	1 500	20 547	-	-	47 747	27 300	28 500
B	WC011	Matzikama	-	-	-	2 100	2 200	2 300	1 601	-	-	3 701	2 200	2 300
B	WC012	Cederberg	-	-	-	2 100	2 200	2 300	1 452	-	-	3 552	2 200	2 300
B	WC013	Bergrivier	-	-	-	2 000	2 100	2 200	1 656	-	-	3 656	2 100	2 200
B	WC014	Saldanha Bay	-	-	-	1 900	2 000	2 100	1 513	-	-	3 413	2 000	2 100
B	WC015	Swartland	-	-	-	1 800	1 900	2 000	2 121	-	-	3 921	1 900	2 000
C	DC1	West Coast District Municipality	-	-	-	1 200	1 300	1 500	1 605	-	-	2 805	1 300	1 500
Total: West Coast Municipalities			**-**	**-**	**-**	**11 100**	**11 700**	**12 400**	**9 948**	**-**	**-**	**21 048**	**11 700**	**12 400**
B	WC022	Witzenberg	-	-	-	1 800	1 900	2 000	1 976	-	-	3 776	1 900	2 000
B	WC023	Drakenstein	-	-	-	1 800	2 000	2 100	2 925	-	-	4 725	2 000	2 100
B	WC024	Stellenbosch	-	-	-	1 800	1 900	2 000	2 731	-	-	4 531	1 900	2 000
B	WC025	Breede Valley	-	-	-	1 800	1 900	2 000	2 662	-	-	4 462	1 900	2 000
B	WC026	Langeberg	-	-	-	1 800	1 900	2 000	2 267	-	-	4 067	1 900	2 000
C	DC2	Cape Winelands District Municipality	-	-	-	1 200	1 300	1 500	1 524	-	-	2 724	1 300	1 500
Total: Cape Winelands Municipalities			**-**	**-**	**-**	**10 200**	**10 900**	**11 600**	**14 085**	**-**	**-**	**24 285**	**10 900**	**11 600**
B	WC031	Theewaterskloof	-	-	-	2 000	2 100	2 200	1 912	-	-	3 912	2 100	2 200
B	WC032	Overstrand	-	-	-	1 900	2 100	2 200	2 062	-	-	3 962	2 100	2 200
B	WC033	Cape Agulhas	-	-	-	1 900	2 000	2 100	1 655	-	-	3 555	2 000	2 100
B	WC034	Swellendam	-	-	-	2 000	2 100	2 200	1 456	-	-	3 456	2 100	2 200
C	DC3	Overberg District Municipality	-	-	-	1 200	1 300	1 500	1 534	-	-	2 734	1 300	1 500
Total: Overberg Municipalities			**-**	**-**	**-**	**9 000**	**9 600**	**10 200**	**8 619**	**-**	**-**	**17 619**	**9 600**	**10 200**
B	WC041	Kannaland	-	-	-	2 900	3 000	3 100	1 343	-	-	4 243	3 000	3 100
B	WC042	Hessequa	-	-	-	1 900	2 000	2 100	1 378	-	-	3 278	2 000	2 100
B	WC043	Mossel Bay	-	-	-	1 900	2 000	2 100	3 211	-	-	5 111	2 000	2 100
B	WC044	George	6 000	6 000	6 238	2 000	2 100	2 200	2 312	-	-	10 312	8 100	8 438
B	WC045	Oudtshoorn	-	-	-	2 800	2 900	3 000	1 874	-	-	4 674	2 900	3 000
B	WC047	Bitou	-	-	-	2 000	2 100	2 200	1 469	-	-	3 469	2 100	2 200
B	WC048	Knysna	-	-	-	2 000	2 100	2 200	1 350	-	-	3 350	2 100	2 200
C	DC4	Garden Route District Municipality	-	-	-	1 200	1 300	1 500	1 774	-	-	2 974	1 300	1 500
Total: Garden Route Municipalities			**6 000**	**6 000**	**6 238**	**16 700**	**17 500**	**18 400**	**14 711**	**-**	**-**	**37 411**	**23 500**	**24 638**
B	WC051	Laingsburg	-	-	-	2 000	2 100	2 200	1 387	-	-	3 387	2 100	2 200
B	WC052	Prince Albert	-	-	-	2 000	2 100	2 200	1 246	-	-	3 246	2 100	2 200
B	WC053	Beaufort West	-	-	-	2 100	2 200	2 300	1 478	-	-	3 578	2 200	2 300
C	DC5	Central Karoo District Municipality	-	-	-	1 200	1 300	1 500	1 350	-	-	2 550	1 300	1 500
Total: Central Karoo Municipalities			**-**	**-**	**-**	**7 300**	**7 700**	**8 200**	**5 461**	**-**	**-**	**12 761**	**7 700**	**8 200**
Total: Western Cape Municipalities			**32 000**	**32 000**	**33 238**	**55 500**	**58 700**	**62 300**	**73 371**	**-**	**-**	**160 871**	**90 700**	**95 538**
Unallocated			-	-	-	-	-	-	-	613 761	632 836	411 020	1 041 183	1 073 542
National Total			**179 755**	**186 929**	**192 738**	**613 517**	**638 001**	**657 829**	**585 594**	**613 761**	**632 836**	**1 789 886**	**1 866 113**	**1 924 109**

1. Includes unallocated amounts for the Municipal Disaster Response Grant (MDRG). The MDRG is allocated R411 million in 2026/27, R427 million in 2027/28 and R441 million in 2028/29

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

Category		Municipality	Municipal Infrastructure 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		
			2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE																	
A	BUF	Buffalo City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A	NMA	Nelson Mandela Bay	-	-	-	7 000	8 000	8 000	-	-	-	91 589	-	-	-	-	-
B	EC101	Dr Beyers Naude	24 743	27 081	27 824	8 095	12 462	10 000	-	-	-	-	-	-	35 000	36 750	38 400
B	EC102	Blue Crane Route	26 053	18 126	18 568	9 415	7 316	10 113	-	-	-	-	-	-	16 000	16 800	17 554
B	EC104	Makana	30 193	32 239	33 156	1 214	8 101	8 467	-	-	-	-	-	-	25 000	-	-
B	EC105	Ndlambe	33 754	36 222	37 273	13 959	7 316	7 647	-	-	-	-	-	-	25 000	26 250	27 429
B	EC106	Sundays River Valley	36 245	33 693	34 658	4 335	11 316	7 647	-	-	-	-	-	-	24 000	25 200	24 331
B	EC108	Kouga	38 619	42 602	43 867	5 780	7 900	8 257	-	-	-	-	-	-	13 196	9 344	9 764
B	EC109	Kou-Kamma	18 063	19 610	20 102	13 201	8 161	4 349	-	-	-	-	-	-	18 000	15 750	14 457
C	DC10	Sarah Baartman District Municipality	-	-	-	-	-	-	2 732	2 841	2 929	-	-	-	-	-	-
Total: Sarah Baartman Municipalities			**207 670**	**209 573**	**215 448**	**55 999**	**62 572**	**56 480**	**2 732**	**2 841**	**2 929**	**-**	**-**	**-**	**156 196**	**130 094**	**131 935**
B	EC121	Mbhashe	75 105	83 409	86 047	10 756	13 588	14 000	-	-	-	-	-	-	-	-	-
B	EC122	Mnquma	78 462	87 164	89 929	7 550	13 407	8 000	-	-	-	-	-	-	-	-	-
B	EC123	Great Kei	12 980	13 926	14 226	4 335	6 854	7 164	-	-	-	-	-	-	-	-	-
B	EC124	Amahlathi	34 514	38 010	39 121	24 474	11 790	8 142	-	-	-	-	-	-	-	-	-
B	EC126	Ngqushwa	29 181	29 961	30 801	4 439	12 101	8 467	-	-	-	-	-	-	-	-	-
B	EC129	Raymond Mhlaba	48 676	53 849	55 493	13 402	8 101	12 467	-	-	-	-	-	-	-	-	-
C	DC12	Amathole District Municipality	498 955	579 301	598 628	-	-	-	3 584	3 727	3 843	-	-	-	110 000	115 500	116 686
Total: Amathole Municipalities			**777 873**	**885 620**	**914 245**	**64 956**	**65 841**	**58 240**	**3 584**	**3 727**	**3 843**	**-**	**-**	**-**	**110 000**	**115 500**	**116 686**
B	EC131	Inxuba Yethemba	19 193	20 875	21 409	11 877	10 583	8 000	-	-	-	-	-	-	-	-	-
B	EC135	Intsika Yethu	53 468	59 209	61 034	5 789	11 497	9 000	-	-	-	-	-	-	-	-	-
B	EC136	Emalahleni	41 368	45 676	47 045	7 330	15 678	10 000	-	-	-	-	-	-	-	-	-
B	EC137	Dr. A.B. Xuma	57 056	52 801	54 409	7 562	13 588	14 202	-	-	-	-	-	-	-	-	-
B	EC138	Sakhisizwe	33 012	23 825	24 458	7 474	7 316	11 647	-	-	-	-	-	-	-	-	-
B	EC139	Enoch Mgijima	67 699	75 126	77 486	15 000	8 362	12 740	-	-	-	-	-	-	-	-	-
C	DC13	Chris Hani District Municipality	347 575	388 153	401 047	-	-	-	3 939	4 096	4 223	-	263 079	274 891	75 000	91 905	96 032
Total: Chris Hani Municipalities			**619 371**	**665 665**	**686 888**	**55 032**	**67 024**	**65 589**	**3 939**	**4 096**	**4 223**	**-**	**263 079**	**274 891**	**75 000**	**91 905**	**96 032**
B	EC141	Elundini	48 290	53 418	55 047	16 843	20 904	15 000	-	-	-	-	-	-	-	-	-
B	EC142	Senqu	47 698	52 756	54 363	-	5 206	5 442	-	-	-	-	-	-	-	-	-
B	EC145	Walter Sisulu	32 047	24 830	25 497	9 570	12 744	9 139	-	-	-	-	-	-	-	-	-
C	DC14	Joe Gqabi District Municipality	189 095	210 901	217 830	-	-	-	2 666	2 772	2 858	80 000	203 000	242 115	57 000	59 850	62 537
Total: Joe Gqabi Municipalities			**317 130**	**341 905**	**352 737**	**26 413**	**38 854**	**29 581**	**2 666**	**2 772**	**2 858**	**80 000**	**203 000**	**242 115**	**57 000**	**59 850**	**62 537**
B	EC153	Ngquza Hill	73 702	75 586	77 962	6 739	8 885	9 287	-	-	-	-	-	-	-	-	-
B	EC154	Port St Johns	42 410	46 841	48 249	7 137	18 814	19 664	-	-	-	-	-	-	-	-	-
B	EC155	Nyandeni	76 189	84 621	87 301	35 931	9 347	9 769	-	-	-	-	-	-	-	-	-
B	EC156	Mhlontlo	55 040	60 967	62 851	24 580	10 906	11 399	-	-	-	-	-	-	-	-	-
B	EC157	King Sabata Dalindyebo	109 510	120 951	124 853	9 199	19 580	16 284	-	-	-	-	-	-	-	-	-
C	DC15	O.R. Tambo District Municipality	764 549	854 518	883 107	-	-	-	3 583	3 726	3 842	121 701	-	-	85 000	102 375	106 971
Total: O.R. Tambo Municipalities			**1 121 400**	**1 243 484**	**1 284 323**	**83 586**	**67 532**	**66 403**	**3 583**	**3 726**	**3 842**	**121 701**	**-**	**-**	**85 000**	**102 375**	**106 971**
B	EC441	Matatiele	70 746	68 113	70 237	29 967	20 904	21 849	-	-	-	-	-	-	-	-	-
B	EC442	Umzimvubu	57 796	64 050	66 037	8 439	18 814	19 664	-	-	-	-	-	-	-	-	-
B	EC443	Winnie Madikizela-Mandela	60 278	66 825	68 906	9 932	15 678	16 387	-	-	-	-	-	-	-	-	-
B	EC444	Ntabankulu	33 256	36 603	37 666	15 631	13 087	13 679	-	-	-	-	-	-	-	-	-
C	DC44	Alfred Nzo District Municipality	453 610	506 748	523 633	-	-	-	2 794	2 906	2 996	-	-	-	95 000	99 750	104 229
Total: Alfred Nzo Municipalities			**675 686**	**742 339**	**766 479**	**63 969**	**68 483**	**71 579**	**2 794**	**2 906**	**2 996**	**-**	**-**	**-**	**95 000**	**99 750**	**104 229**
Total: Eastern Cape Municipalities			**3 719 130**	**4 088 586**	**4 220 120**	**356 955**	**378 306**	**355 872**	**19 298**	**20 068**	**20 691**	**293 290**	**466 079**	**517 006**	**578 196**	**599 474**	**618 390**

ANNEXURE W5

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2

			Municipal Infrastructure 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		
Category		Municipality	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
FREE STATE																	
A	MAN	Mangaung	-	-	-	-	5 000	6 000	-	-	-	-	-	-	-	-	-
B	FS161	Letsemeng	10 697	22 082	22 657	4 000	5 226	5 462	-	-	-	-	-	-	23 000	23 250	24 294
B	FS162	Kopanong	24 635	26 961	27 700	600	5 226	5 462	-	-	-	-	-	-	22 393	21 513	22 479
B	FS163	Mohokare	11 846	23 296	23 912	100	3 136	3 278	-	-	-	-	-	-	21 000	22 050	23 040
B	FS164	New Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC16	Xhariep District Municipality	-	-	-	-	-	-	2 621	2 726	2 811	-	-	-	-	-	-
Total: Xhariep Municipalities			**47 178**	**72 339**	**74 269**	**4 700**	**13 588**	**14 202**	**2 621**	**2 726**	**2 811**	**-**	**-**	**-**	**66 393**	**66 813**	**69 813**
B	FS181	Masilonyana	25 924	30 886	31 757	4 007	5 226	5 462	-	-	-	-	-	-	24 288	25 502	26 647
B	FS182	Tokologo	19 455	21 167	21 711	-	5 226	5 462	-	-	-	100 000	103 693	108 349	26 740	22 077	22 068
B	FS183	Tswelopele	25 063	21 187	21 732	3 000	5 568	6 639	-	-	-	-	-	-	22 110	23 216	23 258
B	FS184	Matjhabeng	79 743	165 363	170 760	12 412	20 904	15 000	-	-	-	-	-	-	23 000	28 350	29 623
B	FS185	Nala	35 941	39 606	40 770	4 000	3 658	3 823	-	-	-	-	-	-	22 660	25 893	27 056
C	DC18	Lejweleputswa District Municipality	-	-	-	-	5 000	4 000	2 783	2 894	2 984	-	-	-	-	-	-
Total: Lejweleputswa Municipalities			**186 126**	**278 209**	**286 730**	**23 419**	**45 582**	**40 386**	**2 783**	**2 894**	**2 984**	**100 000**	**103 693**	**108 349**	**118 798**	**125 038**	**128 652**
B	FS191	Setsoto	57 934	64 204	66 197	4 750	4 986	5 211	-	-	-	230 509	112 596	103 489	25 890	24 285	25 375
B	FS192	Dihlabeng	33 570	52 323	53 915	8 938	3 658	3 823	-	-	-	200 000	103 694	128 350	25 000	23 350	24 398
B	FS193	Nketoana	24 888	33 526	34 486	-	4 181	4 370	-	-	-	-	-	-	21 389	22 458	23 466
B	FS194	Maluti-a-Phofung	202 076	225 420	232 838	6 000	3 136	3 278	-	-	-	-	-	-	64 000	47 750	47 894
B	FS195	Phumelela	15 462	27 447	28 202	8 327	5 870	1 956	-	-	-	-	-	-	19 552	22 516	23 527
B	FS196	Mantsopa	23 857	26 091	26 800	4 000	3 116	3 257	-	-	-	-	-	-	13 000	12 650	13 218
C	DC19	Thabo Mofutsanyana District Municipality	-	-	-	5 000	6 000	5 000	2 934	3 051	3 146	-	-	-	-	-	-
Total: Thabo Mofutsanyana Municipalities			**357 787**	**429 011**	**442 438**	**37 015**	**30 947**	**26 895**	**2 934**	**3 051**	**3 146**	**430 509**	**216 290**	**231 839**	**168 831**	**153 009**	**157 878**
B	FS201	Moqhaka	27 423	54 801	56 477	-	5 226	5 462	-	-	-	-	-	-	15 268	16 160	16 886
B	FS203	Ngwathe	32 172	57 087	58 840	7 633	20 904	15 000	-	-	-	106 112	180 000	167 233	12 000	12 600	13 166
B	FS204	Metsimaholo	40 298	60 762	62 639	10 000	10 452	10 924	-	-	-	-	-	-	19 000	22 350	23 354
B	FS205	Mafube	22 912	29 492	30 316	-	7 316	7 647	-	-	-	-	-	-	-	19 050	19 905
C	DC20	Fezile Dabi District Municipality	-	-	-	24 906	-	-	2 669	2 775	2 861	-	-	-	-	-	-
Total: Fezile Dabi Municipalities			**122 805**	**202 142**	**208 272**	**42 539**	**43 898**	**39 033**	**2 669**	**2 775**	**2 861**	**106 112**	**180 000**	**167 233**	**46 268**	**70 160**	**73 311**
Total: Free State Municipalities			**713 896**	**981 701**	**1 011 709**	**107 673**	**139 015**	**126 516**	**11 007**	**11 446**	**11 802**	**636 621**	**499 983**	**507 421**	**400 290**	**415 020**	**429 654**
GAUTENG																	
A	EKU	City of Ekurhuleni	-	-	-	8 000	8 000	8 000	-	-	-	-	-	-	-	-	-
A	JHB	City of Johannesburg	-	-	-	8 000	8 000	8 000	-	-	-	-	-	-	-	-	-
A	TSH	City of Tshwane	-	-	-	-	-	8 000	-	-	-	-	-	-	-	-	-
B	GT421	Emfuleni	160 704	237 007	244 814	11 970	18 633	19 294	-	-	-	-	-	-	-	-	-
B	GT422	Midvaal	39 426	42 462	43 722	13 858	21 768	21 571	-	-	-	-	-	-	48 403	65 000	70 000
B	GT423	Lesedi	32 063	35 269	36 287	58 575	20 904	25 496	-	-	-	-	-	-	39 148	40 000	19 714
C	DC42	Sedibeng District Municipality	-	-	-	5 000	-	4 000	2 971	3 090	3 186	-	-	-	-	-	-
Total: Sedibeng Municipalities			**232 193**	**314 738**	**324 823**	**89 403**	**61 305**	**70 361**	**2 971**	**3 090**	**3 186**	**-**	**-**	**-**	**87 551**	**105 000**	**89 714**
B	GT481	Mogale City	-	-	-	-	14 633	15 294	-	-	-	-	-	-	60 000	67 728	69 516
B	GT484	Merafong City	81 840	90 942	93 834	6 005	16 723	21 479	-	-	-	-	-	-	30 000	30 000	35 000
B	GT485	Rand West City	112 915	125 697	129 759	29 510	30 311	35 682	-	-	-	-	-	-	64 194	74 074	75 000
C	DC48	West Rand District Municipality	-	-	-	-	-	-	3 164	3 290	3 392	-	-	-	-	-	-
Total: West Rand Municipalities			**194 755**	**216 639**	**223 593**	**35 515**	**61 667**	**72 455**	**3 164**	**3 290**	**3 392**	**-**	**-**	**-**	**154 194**	**171 802**	**179 516**
Total: Gauteng Municipalities			**426 948**	**531 377**	**548 416**	**140 918**	**138 972**	**166 816**	**6 135**	**6 380**	**6 578**	**-**	**-**	**-**	**241 745**	**276 802**	**269 230**

ANNEXURE W5

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2

		Municipal Infrastructure 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		
Category	Municipality	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
KWAZULU-NATAL																
A ETH	eThekwini	-	-	-	8 000	8 000	8 000	-	-	-	-	-	-	-	-	-
B KZN212	uMdoni	37 762	41 643	42 876	900	7 316	7 647	-	-	-	-	-	-	-	-	-
B KZN213	uMzumbe	42 067	46 458	47 853	459	9 407	9 832	-	-	-	-	-	-	-	-	-
B KZN214	uMuziwabantu	28 388	31 159	32 039	553	6 185	6 465	-	-	-	-	-	-	-	-	-
B KZN216	Ray Nkonyeni	-	-	-	13 104	12 316	11 647	-	-	-	-	-	-	-	-	-
C DC21	Ugu District Municipality	291 423	325 349	336 130	-	-	-	3 248	3 378	3 483	-	-	-	129 000	155 500	100 686
Total: Ugu Municipalities		**399 640**	**444 609**	**458 898**	**15 016**	**35 224**	**35 591**	**3 248**	**3 378**	**3 483**	**-**	**-**	**-**	**129 000**	**155 500**	**100 686**
B KZN221	uMshwathi	33 813	37 225	38 310	6 531	6 271	6 554	-	-	-	-	-	-	-	-	-
B KZN222	uMngeni	46 676	30 770	31 637	22 000	15 678	16 387	-	-	-	-	-	-	-	-	-
B KZN223	Mpofana	13 977	15 041	15 378	-	-	-	-	-	-	-	-	-	-	-	-
B KZN224	iMpendle	22 696	14 580	14 902	-	-	-	-	-	-	-	-	-	-	-	-
B KZN225	Msunduzi	245 849	274 378	283 443	8 860	10 271	6 554	-	-	-	-	-	-	80 000	84 000	87 772
B KZN226	Mkhambathini	28 439	20 794	21 325	9 412	7 848	11 203	-	-	-	-	-	-	-	-	-
B KZN227	Richmond	22 142	24 173	24 818	1 632	6 487	6 780	-	-	-	-	-	-	-	-	-
C DC22	uMgungundlovu District Municipality	122 881	136 844	141 281	-	16 542	13 108	3 087	3 210	3 310	-	-	-	110 000	100 500	100 461
Total: uMgungundlovu Municipalities		**536 473**	**553 805**	**571 094**	**48 435**	**63 097**	**60 586**	**3 087**	**3 210**	**3 310**	**-**	**-**	**-**	**190 000**	**184 500**	**188 233**
B KZN235	Okhahlamba	34 714	38 234	39 352	7 430	11 497	12 017	-	-	-	-	-	-	-	-	-
B KZN237	iNkosi Langalibalele	55 975	51 592	53 160	16 575	14 452	14 924	-	-	-	-	-	-	-	-	-
B KZN238	Alfred Duma	-	-	-	10 442	7 316	11 647	-	-	-	-	-	-	-	-	-
C DC23	uThukela District Municipality	222 036	247 744	255 914	-	-	-	3 036	3 157	3 255	-	-	-	-	-	-
Total: uThukela Municipalities		**312 725**	**337 570**	**348 426**	**34 447**	**33 265**	**38 588**	**3 036**	**3 157**	**3 255**	**-**	**-**	**-**	**-**	**-**	**-**
B KZN241	eNdumeni	18 045	19 591	20 082	10 473	5 226	5 462	-	-	-	-	-	-	-	-	-
B KZN242	Nquthu	38 403	42 360	43 617	17 700	15 678	16 387	-	-	-	-	-	-	-	-	-
B KZN244	uMsinga	46 332	51 227	52 783	7 927	16 723	17 479	-	-	-	-	-	-	-	-	-
B KZN245	uMvoti	36 636	40 383	41 574	3 424	7 316	10 647	-	-	-	-	-	-	-	-	-
C DC24	uMzinyathi District Municipality	227 067	253 371	261 729	-	-	-	2 781	2 892	2 982	-	-	-	100 000	119 679	93 183
Total: uMzinyathi Municipalities		**366 483**	**406 932**	**419 785**	**39 524**	**44 943**	**49 975**	**2 781**	**2 892**	**2 982**	**-**	**-**	**-**	**100 000**	**119 679**	**93 183**
B KZN252	Newcastle	139 684	155 638	160 707	19 475	21 700	23 210	-	-	-	-	-	-	80 000	80 000	84 715
B KZN253	eMadlangeni	12 867	11 193	11 402	-	-	-	-	-	-	-	-	-	-	-	-
B KZN254	Dannhauser	26 378	28 910	29 715	-	6 927	6 059	-	-	-	-	-	-	-	-	-
C DC25	Amajuba District Municipality	48 869	54 065	55 716	28 156	5 260	9 499	2 692	2 799	2 886	-	-	-	82 221	105 000	108 615
Total: Amajuba Municipalities		**227 798**	**249 806**	**257 540**	**47 631**	**33 887**	**38 768**	**2 692**	**2 799**	**2 886**	**-**	**-**	**-**	**162 221**	**185 000**	**193 330**
B KZN261	eDumbe	30 958	23 612	24 238	8 140	10 452	10 924	-	-	-	-	-	-	-	-	-
B KZN262	uPhongolo	34 722	38 243	39 361	6 471	6 271	6 554	-	-	-	-	-	-	-	-	-
B KZN263	AbaQulusi	46 008	50 865	52 409	20 013	11 362	12 740	-	-	-	-	-	-	-	-	-
B KZN265	Nongoma	39 259	43 317	44 606	3 208	5 226	5 462	-	-	-	-	-	-	-	-	-
B KZN266	Ulundi	38 031	41 943	43 187	6 464	6 271	6 554	-	-	-	-	-	-	-	-	-
C DC26	Zululand District Municipality	272 515	304 202	314 271	-	4 000	3 000	2 884	2 999	3 092	370 085	308 278	372 120	115 000	150 000	135 388
Total: Zululand Municipalities		**461 493**	**502 182**	**518 072**	**44 296**	**43 582**	**45 234**	**2 884**	**2 999**	**3 092**	**370 085**	**308 278**	**372 120**	**115 000**	**150 000**	**135 388**
B KZN271	uMhlabuyalingana	43 139	47 657	49 092	10 348	10 452	10 924	-	-	-	-	-	-	-	-	-
B KZN272	Jozini	46 304	51 197	52 751	-	-	-	-	-	-	-	-	-	-	-	-
B KZN275	Nkosi uMtubatuba	39 108	43 148	44 432	-	-	-	-	-	-	-	-	-	-	-	-
B KZN276	Big Five Hlabisa	25 858	28 328	29 113	7 000	7 902	8 259	-	-	-	-	-	-	-	-	-
C DC27	uMkhanyakude District Municipality	259 029	289 119	298 680	12 225	22 300	22 127	3 201	3 329	3 432	-	-	-	-	-	120 686
Total: uMkhanyakude Municipalities		**413 438**	**459 449**	**474 068**	**29 573**	**40 654**	**41 310**	**3 201**	**3 329**	**3 432**	**-**	**-**	**-**	**-**	**-**	**120 686**
B KZN281	uMfolozi	34 391	35 267	36 285	11 078	9 525	9 956	-	-	-	-	-	-	-	-	-
B KZN282	uMhlathuze	-	-	-	11 244	5 442	10 688	-	-	-	-	-	-	80 000	71 869	87 772
B KZN284	uMlalazi	50 116	55 460	57 159	5 035	5 442	5 688	-	-	-	-	-	-	-	-	-
B KZN285	Mthonjaneni	27 213	23 591	24 217	11 254	6 512	6 806	-	-	-	-	-	-	-	-	-
B KZN286	Nkandla	37 056	30 432	31 288	5 871	13 525	9 956	-	-	-	-	-	-	-	-	-
C DC28	King Cetshwayo District Municipality	206 261	230 101	237 676	-	-	-	3 085	3 208	3 308	179 356	308 278	322 119	105 000	90 750	110 172
Total: King Cetshwayo Municipalities		**355 037**	**374 851**	**386 625**	**44 482**	**40 446**	**43 094**	**3 085**	**3 208**	**3 308**	**179 356**	**308 278**	**322 119**	**185 000**	**162 619**	**197 944**
B KZN291	Mandeni	43 741	48 330	49 788	-	9 521	9 951	-	-	-	-	-	-	-	-	-
B KZN292	KwaDukuza	64 615	71 677	73 920	12 469	9 766	10 207	-	-	-	-	-	-	-	-	-
B KZN293	Ndwedwe	36 628	40 374	41 564	3 385	8 164	8 533	-	-	-	-	-	-	-	-	-
B KZN294	Maphumulo	27 080	29 695	30 526	6 131	9 766	10 207	-	-	-	-	-	-	-	-	-
C DC29	iLembe District Municipality	232 564	259 519	268 084	-	-	-	2 771	2 882	2 972	-	-	-	120 000	125 750	120 723
Total: iLembe Municipalities		**404 628**	**449 595**	**463 882**	**21 985**	**37 217**	**38 898**	**2 771**	**2 882**	**2 972**	**-**	**-**	**-**	**120 000**	**125 750**	**120 723**
B KZN433	Greater Kokstad	20 740	22 604	23 197	20 500	6 512	6 806	-	-	-	-	-	-	-	-	-
B KZN434	Johannes Phumani Phungula	32 946	36 256	37 308	680	7 316	7 647	-	-	-	-	-	-	-	-	-
B KZN435	uMzimkhulu	53 926	59 721	61 563	13 271	5 226	5 462	-	-	-	-	-	-	-	-	-
B KZN436	Dr Nkosazana Dlamini Zuma	33 242	36 587	37 650	1 880	5 226	5 462	-	-	-	-	-	-	-	-	-
C DC43	Harry Gwala District Municipality	242 150	270 240	279 166	-	-	-	2 715	2 823	2 911	-	-	-	115 000	150 750	136 172
Total: Harry Gwala Municipalities		**383 004**	**425 408**	**438 884**	**36 331**	**24 280**	**25 377**	**2 715**	**2 823**	**2 911**	**-**	**-**	**-**	**115 000**	**150 750**	**136 172**
Total: KwaZulu-Natal Municipalities		**3 860 719**	**4 204 207**	**4 337 274**	**369 720**	**404 595**	**425 421**	**29 500**	**30 677**	**31 631**	**549 441**	**616 556**	**694 239**	**1 116 221**	**1 233 798**	**1 286 345**

ANNEXURE W5

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2

		Municipal Infrastructure 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		
Category	Municipality	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
LIMPOPO																
B	LIM331 Greater Giyani	83 454	84 410	87 083	12 900	23 859	20 757	-	-	-	-	-	-	-	-	-
B	LIM332 Greater Letaba	73 565	80 019	82 544	12 002	9 407	13 832	-	-	-	-	-	-	-	-	-
B	LIM333 Greater Tzaneen	118 817	132 299	136 583	28 141	13 407	13 832	-	-	-	-	-	-	-	-	-
B	LIM334 Ba-Phalaborwa	39 493	43 578	44 877	1 800	12 362	8 740	-	-	-	-	-	-	-	-	-
B	LIM335 Maruleng	32 807	36 101	37 148	22 654	-	-	-	-	-	-	-	-	-	-	-
C	DC33 Mopani District Municipality	551 161	615 854	636 411	-	-	-	2 691	2 798	2 886	-	-	-	-	-	-
Total: Mopani Municipalities		**899 297**	**992 261**	**1 024 646**	**77 497**	**59 035**	**57 161**	**2 691**	**2 798**	**2 886**	**-**	**-**	**-**	**-**	**-**	**-**
B	LIM341 Musina	35 649	39 279	40 433	9 000	9 766	10 207	-	-	-	-	-	-	-	-	-
B	LIM343 Thulamela	125 347	139 602	144 131	12 000	17 021	13 610	-	-	-	-	-	-	-	-	-
B	LIM344 Makhado	112 837	125 610	129 669	8 392	10 452	10 924	-	-	-	-	-	-	-	-	-
B	LIM345 Collins Chabane	112 528	114 843	118 540	13 827	13 929	14 378	-	-	-	-	-	-	-	-	-
C	DC34 Vhembe District Municipality	624 561	697 948	721 268	-	-	-	2 745	2 855	2 944	-	-	-	108 737	89 874	93 909
Total: Vhembe Municipalities		**1 010 922**	**1 117 282**	**1 154 041**	**43 219**	**51 168**	**49 119**	**2 745**	**2 855**	**2 944**	**-**	**-**	**-**	**108 737**	**89 874**	**93 909**
B	LIM351 Blouberg	55 189	61 134	63 023	15 855	16 723	17 479	-	-	-	-	-	-	-	-	-
B	LIM353 Molemole	48 098	47 992	49 439	7 000	7 316	7 647	-	-	-	-	-	-	-	-	-
B	LIM354 Polokwane	-	-	-	5 000	16 542	18 109	-	-	-	688 100	869 600	560 800	100 022	95 396	99 679
B	LIM355 Lepele-Nkumpi	67 582	74 994	77 350	3 729	7 316	7 647	-	-	-	-	-	-	-	-	-
C	DC35 Capricorn District Municipality	279 548	312 068	322 402	-	-	-	2 955	3 073	3 168	-	-	-	110 022	148 773	155 453
Total: Capricorn Municipalities		**450 417**	**496 188**	**512 214**	**31 584**	**47 897**	**50 882**	**2 955**	**3 073**	**3 168**	**688 100**	**869 600**	**560 800**	**210 044**	**244 169**	**255 132**
B	LIM361 Thabazimbi	22 618	44 332	45 656	26 140	16 723	17 479	-	-	-	-	-	-	-	-	-
B	LIM362 Lephalale	53 205	58 915	60 730	8 000	15 719	12 249	-	-	-	-	-	-	-	-	-
B	LIM366 Bela-Bela	31 180	34 281	35 266	9 000	13 452	15 924	-	-	-	-	-	-	81 044	91 973	96 103
B	LIM367 Mogalakwena	193 178	215 468	222 551	30 500	9 512	11 806	-	-	-	-	-	-	88 022	81 923	85 601
B	LIM368 Modimolle-Mookgophong	47 006	51 981	53 563	5 000	11 497	12 017	-	-	-	-	-	-	-	-	-
C	DC36 Waterberg District Municipality	-	-	-	-	-	-	2 601	2 705	2 789	-	-	-	-	-	-
Total: Waterberg Municipalities		**347 187**	**404 977**	**417 766**	**78 640**	**66 903**	**69 475**	**2 601**	**2 705**	**2 789**	**-**	**-**	**-**	**169 066**	**173 896**	**181 704**
B	LIM471 Ephraim Mogale	41 267	45 563	46 928	15 000	-	-	-	-	-	-	-	-	-	-	-
B	LIM472 Elias Motsoaledi	68 650	76 190	78 586	18 430	9 209	5 445	-	-	-	-	-	-	-	-	-
B	LIM473 Makhuduthamaga	77 818	86 443	89 184	1 136	14 975	15 652	-	-	-	-	-	-	-	-	-
B	LIM476 Fetakgomo Tubatse	106 199	118 186	121 995	867	28 386	29 669	-	-	-	-	-	-	-	-	-
C	DC47 Sekhukhune District Municipality	413 050	643 984	665 488	-	-	-	2 795	2 906	2 996	-	-	-	-	-	-
Total: Sekhukhune Municipalities		**706 984**	**970 366**	**1 002 181**	**35 433**	**52 570**	**50 766**	**2 795**	**2 906**	**2 996**	**-**	**-**	**-**	**-**	**-**	**-**
Total: Limpopo Municipalities		**3 414 807**	**3 981 074**	**4 110 848**	**266 373**	**277 573**	**277 403**	**13 787**	**14 337**	**14 783**	**688 100**	**869 600**	**560 800**	**487 847**	**507 939**	**530 745**
MPUMALANGA																
B	MP301 Chief Albert Luthuli	116 158	118 904	122 737	10 435	8 362	8 740	-	-	-	220 887	235 167	245 726	100 140	89 897	65 703
B	MP302 Msukaligwa	73 686	71 400	73 635	18 100	10 803	7 110	-	-	-	280 000	150 000	206 735	59 850	52 343	54 693
B	MP303 Mkhondo	104 925	106 340	109 750	19 907	11 316	7 647	-	-	-	-	-	-	10 000	10 000	10 449
B	MP304 Dr Pixley ka Isaka Seme	31 876	35 059	36 071	486	8 844	9 244	-	-	-	-	-	-	54 479	41 453	43 314
B	MP305 Lekwa	25 698	38 605	39 736	10 942	14 205	14 666	-	-	-	-	-	-	-	-	-
B	MP306 Dipaleseng	16 355	24 300	24 949	398	10 205	10 666	-	-	-	-	-	-	-	-	-
B	MP307 Govan Mbeki	71 861	79 781	82 298	35 748	17 768	22 571	-	-	-	-	-	-	-	-	-
C	DC30 Gert Sibande District Municipality	13 045	-	-	-	-	-	2 823	2 936	3 027	-	-	-	-	-	-
Total: Gert Sibande Municipalities		**453 604**	**474 389**	**489 176**	**96 016**	**81 503**	**80 644**	**2 823**	**2 936**	**3 027**	**500 887**	**385 167**	**452 461**	**224 469**	**193 693**	**174 159**
B	MP311 Victor Khanye	29 948	32 903	33 842	2 088	10 108	10 565	-	-	-	-	-	-	-	-	-
B	MP312 Emalahleni	148 190	165 150	170 540	7 640	29 000	34 496	-	-	-	50 000	-	-	37 365	43 983	45 958
B	MP313 Steve Tshwete	-	-	-	13 629	10 205	10 666	-	-	-	-	70 000	73 143	-	-	-
B	MP314 Emakhazeni	27 198	23 574	24 199	14 330	14 642	14 666	-	-	-	-	-	-	39 501	42 126	44 017
B	MP315 Thembisile Hani	159 065	170 123	175 680	16 258	4 000	4 000	-	-	-	-	-	-	80 482	74 006	77 329
B	MP316 Dr JS Moroka	158 449	171 414	177 014	10 355	-	-	-	-	-	-	-	-	20 000	-	-
C	DC31 Nkangala District Municipality	-	-	-	4 000	5 000	5 000	2 659	2 765	2 851	-	-	-	-	-	-
Total: Nkangala Municipalities		**522 850**	**563 164**	**581 275**	**68 300**	**72 955**	**79 393**	**2 659**	**2 765**	**2 851**	**50 000**	**70 000**	**73 143**	**177 348**	**160 115**	**167 304**
B	MP321 Thaba Chweu	57 986	64 262	66 257	17 135	8 164	8 533	-	-	-	-	30 000	31 347	60 607	63 357	66 202
B	MP324 Nkomazi	277 267	309 517	319 765	776	5 226	5 463	-	-	-	-	30 600	31 974	40 380	42 399	44 303
B	MP325 Bushbuckridge	460 339	514 274	531 413	8 940	13 407	9 832	-	-	-	-	40 000	41 796	46 439	47 683	49 824
B	MP326 City of Mbombela	411 878	460 072	475 387	26 824	29 000	33 403	-	-	-	-	-	-	-	-	-
C	DC32 Ehlanzeni District Municipality	-	-	-	-	-	-	2 868	2 982	3 075	-	-	-	-	-	-
Total: Ehlanzeni Municipalities		**1 207 470**	**1 348 125**	**1 392 822**	**53 675**	**55 797**	**57 231**	**2 868**	**2 982**	**3 075**	**-**	**100 600**	**105 117**	**147 426**	**153 439**	**160 329**
Total: Mpumalanga Municipalities		**2 183 924**	**2 385 678**	**2 463 273**	**217 991**	**210 255**	**217 268**	**8 350**	**8 683**	**8 953**	**550 887**	**555 767**	**630 721**	**549 243**	**507 247**	**501 792**

ANNEXURE W5

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2

			Municipal Infrastructure 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		
Category		Municipality	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
NORTHERN CAPE																	
B	NC061	Richtersveld	7 943	8 291	8 402	-	1 246	1 302	-	-	-	-	-	-	-	19 102	19 960
B	NC062	Nama Khoi	16 171	18 506	18 960	3 000	5 371	1 433	-	-	-	-	-	-	20 000	26 250	27 429
B	NC064	Kamiesberg	8 221	8 603	8 724	-	1 121	1 172	-	-	-	-	-	-	-	-	-
B	NC065	Hantam	11 009	11 720	11 946	-	3 646	3 811	-	-	-	-	-	-	8 356	20 324	21 237
B	NC066	Karoo Hoogland	18 216	9 360	9 507	-	1 776	1 856	-	-	-	-	-	-	-	-	-
B	NC067	Khâi-Ma	8 493	8 907	9 038	3 500	1 994	2 084	-	-	-	-	-	-	27 000	-	-
C	DC6	Namakwa District Municipality	-	-	-	-	-	-	3 541	3 682	3 796	-	-	-	-	-	-
Total: Namakwa Municipalities			**70 053**	**65 387**	**66 577**	**6 500**	**15 154**	**11 658**	**3 541**	**3 682**	**3 796**	**-**	**-**	**-**	**55 356**	**65 676**	**68 626**
B	NC071	Ubuntu	11 262	12 003	12 239	-	6 909	4 086	-	-	-	-	-	-	22 000	-	-
B	NC072	Umsobomvu	13 196	14 167	14 475	1 400	1 246	1 302	-	-	-	-	-	-	7 000	15 000	15 674
B	NC073	Emthanjeni	7 876	15 115	15 456	-	2 613	2 731	-	-	-	-	-	-	34 000	11 750	12 278
B	NC074	Kareeberg	18 137	9 272	9 415	537	2 613	2 731	-	-	-	-	-	-	-	10 000	10 449
B	NC075	Renosterberg	8 133	8 504	8 622	-	1 371	1 433	-	-	-	-	-	-	16 000	-	-
B	NC076	Thembelihle	19 864	11 203	11 412	13 840	1 309	4 368	-	-	-	-	-	-	7 000	15 000	15 674
B	NC077	Siyathemba	11 094	11 816	12 045	3 000	3 427	3 582	-	-	-	-	-	-	-	-	-
B	NC078	Siyancuma	19 479	21 193	21 738	5 190	5 226	5 462	-	-	-	-	-	-	17 143	13 350	13 949
C	DC7	Pixley Ka Seme District Municipality	-	-	-	-	-	-	3 672	3 818	3 937	-	-	-	-	-	-
Total: Pixley Ka Seme Municipalities			**109 041**	**103 273**	**105 402**	**23 967**	**24 714**	**25 695**	**3 672**	**3 818**	**3 937**	**-**	**-**	**-**	**103 143**	**65 100**	**68 024**
B	NC082	!Kai !Garib	14 191	29 385	30 205	16 425	5 983	6 253	-	-	-	-	-	-	6 000	-	-
B	NC084	!Kheis	12 072	12 910	13 176	-	1 121	1 172	-	-	-	-	-	-	13 000	-	-
B	NC085	Tsantsabane	18 096	19 648	20 141	4 840	7 316	7 647	-	-	-	-	-	-	12 000	-	-
B	NC086	Kgatelopele	18 181	9 321	9 466	-	2 090	2 184	-	-	-	-	-	-	-	-	-
B	NC087	Dawid Kruiper	30 233	33 222	34 172	16 096	5 920	10 188	-	-	-	-	-	-	20 000	21 000	21 943
C	DC8	Z.F. Mgcawu District Municipality	-	-	-	-	-	-	3 497	3 637	3 750	-	-	-	-	-	-
Total: Z.F. Mgcawu Municipalities			**92 773**	**104 486**	**107 160**	**37 361**	**22 430**	**27 444**	**3 497**	**3 637**	**3 750**	**-**	**-**	**-**	**51 000**	**21 000**	**21 943**
B	NC091	Sol Plaatjie	-	-	-	25 521	14 633	15 294	-	-	-	579 000	490 000	254 000	5 000	-	-
B	NC092	Dikgatlong	23 204	25 360	26 045	7 200	5 297	5 536	-	-	-	-	-	-	7 857	-	-
B	NC093	Magareng	12 743	13 661	13 952	-	934	977	-	-	-	-	-	-	14 192	21 000	21 943
B	NC094	Phokwane	17 869	34 719	35 719	10 750	8 362	8 740	-	-	-	-	-	-	33 000	47 250	49 372
C	DC9	Frances Baard District Municipality	-	-	-	5 000	5 000	5 000	3 074	3 197	3 296	-	-	-	-	-	-
Total: Frances Baard Municipalities			**53 816**	**73 740**	**75 716**	**48 471**	**34 226**	**35 547**	**3 074**	**3 197**	**3 296**	**579 000**	**490 000**	**254 000**	**60 049**	**68 250**	**71 315**
B	NC451	Joe Morolong	73 026	81 084	83 644	-	1 247	1 303	-	-	-	-	-	-	31 000	63 500	66 351
B	NC452	Ga-Segonyana	64 846	71 935	74 188	15 527	14 000	15 294	-	-	-	-	-	-	30 000	55 500	57 992
B	NC453	Gamagara	14 606	14 702	15 028	5 600	12 542	13 109	-	-	-	-	-	-	25 000	29 400	30 720
C	DC45	John Taolo Gaetsewe District Municipality	-	-	-	-	-	-	2 419	2 516	2 594	-	-	-	-	-	-
Total: John Taolo Gaetsewe Municipalities			**152 478**	**167 721**	**172 860**	**21 127**	**27 789**	**29 706**	**2 419**	**2 516**	**2 594**	**-**	**-**	**-**	**86 000**	**148 400**	**155 063**
Total: Northern Cape Municipalities			**478 161**	**514 607**	**527 715**	**137 426**	**124 313**	**130 050**	**16 203**	**16 850**	**17 373**	**579 000**	**490 000**	**254 000**	**355 548**	**368 426**	**384 971**
NORTH WEST																	
B	NW371	Moretele	150 631	157 460	162 590	4 000	-	-	-	-	-	-	-	-	8 460	48 944	51 142
B	NW372	Madibeng	348 220	388 875	401 794	28 411	19 859	24 757	-	-	-	-	-	-	-	-	-
B	NW373	Rustenburg	292 024	326 022	336 826	4 000	20 000	25 127	-	-	-	-	-	-	70 138	50 300	52 558
B	NW374	Kgetlengrivier	31 061	34 148	35 128	7 833	-	3 000	-	-	-	-	-	-	-	-	-
B	NW375	Moses Kotane	184 446	205 702	212 456	-	-	-	-	-	-	-	-	-	52 243	56 350	58 880
C	DC37	Bojanala Platinum District Municipality	-	-	-	-	-	-	2 884	2 999	3 092	-	-	-	-	-	-
Total: Bojanala Platinum Municipalities			**1 006 382**	**1 112 207**	**1 148 794**	**44 244**	**39 859**	**52 884**	**2 884**	**2 999**	**3 092**	**-**	**-**	**-**	**130 841**	**155 594**	**162 580**
B	NW381	Ratlou	36 104	39 788	40 959	-	-	-	-	-	-	-	-	-	-	-	-
B	NW382	Tswaing	35 954	39 620	40 785	-	4 704	4 917	-	-	-	-	-	-	-	-	-
B	NW383	Mafikeng	104 756	85 308	88 011	4 000	5 000	6 000	-	-	-	-	-	-	-	-	-
B	NW384	Ditsobotla	45 242	50 009	51 523	-	3 116	3 257	-	-	-	-	-	-	-	-	-
B	NW385	Ramotshere Moiloa	55 322	50 862	52 405	913	4 986	5 212	-	-	-	-	-	-	-	-	-
C	DC38	Ngaka Modiri Molema District Municipality	363 275	405 712	419 198	-	-	-	3 098	3 222	3 322	-	-	-	-	-	-
Total: Ngaka Modiri Molema Municipalities			**640 653**	**671 299**	**692 881**	**4 913**	**17 806**	**19 386**	**3 098**	**3 222**	**3 322**	**-**	**-**	**-**	**-**	**-**	**-**
B	NW392	Naledi	20 301	22 113	22 689	17 769	12 542	13 109	-	-	-	-	-	-	-	-	-
B	NW393	Mamusa	18 654	20 271	20 785	9 400	11 335	14 847	-	-	-	-	-	-	-	-	-
B	NW394	Greater Taung	59 316	65 750	67 794	-	-	-	-	-	-	-	-	-	-	-	-
B	NW396	Lekwa-Teemane	17 512	18 994	19 465	764	-	-	-	-	-	-	-	-	-	-	-
B	NW397	Kagisano-Molopo	36 955	40 740	41 943	-	4 000	4 000	-	-	-	-	-	-	-	-	-
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	167 323	186 550	192 660	-	-	-	2 982	3 101	3 197	379 407	366 732	484 815	135 587	131 100	136 986
Total: Dr Ruth Segomotsi Mompati Municipalities			**320 061**	**354 418**	**365 336**	**27 933**	**27 877**	**31 956**	**2 982**	**3 101**	**3 197**	**379 407**	**366 732**	**484 815**	**135 587**	**131 100**	**136 986**
B	NW403	City of Matlosana	109 658	122 055	125 994	24 337	10 975	15 471	-	-	-	-	-	-	74 000	76 950	80 405
B	NW404	Maquassi Hills	34 158	37 612	38 709	4 300	-	-	-	-	-	-	-	-	83 000	74 950	78 315
B	NW405	JB Marks	82 537	91 722	94 640	15 645	13 588	18 202	-	-	-	-	-	-	65 815	68 856	71 948
C	DC40	Dr Kenneth Kaunda District Municipality	-	-	-	4 000	4 000	-	3 001	3 121	3 218	-	-	-	-	-	-
Total: Dr Kenneth Kaunda Municipalities			**226 353**	**251 389**	**259 343**	**48 282**	**28 563**	**33 673**	**3 001**	**3 121**	**3 218**	**-**	**-**	**-**	**222 815**	**220 756**	**230 668**
Total: North West Municipalities			**2 193 449**	**2 389 313**	**2 466 354**	**125 372**	**114 105**	**137 899**	**11 965**	**12 443**	**12 829**	**379 407**	**366 732**	**484 815**	**489 243**	**507 450**	**530 234**

ANNEXURE W5

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 1 OF 2

			Municipal Infrastructure 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		
Category		Municipality	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
WESTERN CAPE																	
A	CPT	City of Cape Town	-	-	-	7 000	8 000	8 070	-	-	-	-	-	-	-	-	-
B	WC011	Matzikama	37 564	27 873	28 643	14 960	12 020	16 563	-	-	-	-	-	-	30 000	19 744	15 000
B	WC012	Cederberg	18 441	20 033	20 539	2 440	5 173	5 407	-	-	-	-	-	-	12 000	28 306	25 585
B	WC013	Bergrivier	26 389	18 502	18 956	8 459	7 116	7 257	-	-	-	-	-	-	-	-	-
B	WC014	Saldanha Bay	23 342	25 514	26 205	-	9 347	9 769	-	-	-	-	-	-	-	-	-
B	WC015	Swartland	25 680	28 129	28 907	44 137	21 811	22 797	-	-	-	-	-	-	-	-	-
C	DC1	West Coast District Municipality	-	-	-	-	-	-	3 087	3 210	3 310	-	-	-	-	-	-
Total: West Coast Municipalities			**131 416**	**120 051**	**123 250**	**69 996**	**55 467**	**61 793**	**3 087**	**3 210**	**3 310**	**-**	**-**	**-**	**42 000**	**48 050**	**40 585**
B	WC022	Witzenberg	27 062	29 675	30 506	3 000	4 624	652	-	-	-	-	-	-	-	17 000	10 000
B	WC023	Drakenstein	-	-	-	21 985	12 463	13 026	-	-	-	225 000	-	-	-	-	-
B	WC024	Stellenbosch	-	-	-	-	10 392	10 862	-	-	-	-	-	-	-	-	-
B	WC025	Breede Valley	42 142	46 542	47 940	-	18 310	19 138	-	-	-	-	-	-	30 000	7 000	-
B	WC026	Langeberg	26 470	29 013	29 821	2 620	3 658	3 823	-	-	-	-	-	-	-	-	-
C	DC2	Cape Winelands District Municipality	-	-	-	-	-	-	3 280	3 411	3 517	-	-	-	-	-	-
Total: Cape Winelands Municipalities			**95 674**	**105 230**	**108 267**	**27 605**	**49 447**	**47 501**	**3 280**	**3 411**	**3 517**	**225 000**	**-**	**-**	**30 000**	**24 000**	**10 000**
B	WC031	Theewaterskloof	36 686	35 228	36 245	700	6 271	6 554	-	-	-	-	-	-	-	-	-
B	WC032	Overstrand	26 568	29 122	29 934	30 139	9 983	13 434	-	-	-	-	-	-	26 242	-	3 000
B	WC033	Cape Agulhas	12 585	13 483	13 769	-	2 090	2 184	-	-	-	-	-	-	-	12 000	12 000
B	WC034	Swellendam	13 728	14 762	15 090	4 500	7 136	6 278	-	-	-	-	-	-	7 000	-	3 574
C	DC3	Overberg District Municipality	-	-	-	-	-	-	3 232	3 361	3 465	-	-	-	-	-	-
Total: Overberg Municipalities			**89 567**	**92 595**	**95 038**	**35 339**	**25 480**	**28 450**	**3 232**	**3 361**	**3 465**	**-**	**-**	**-**	**33 242**	**12 000**	**18 574**
B	WC041	Kannaland	11 632	12 417	12 667	-	760	765	-	-	-	-	-	-	8 000	14 000	48 400
B	WC042	Hessequa	25 275	17 255	17 668	-	7 136	7 278	-	-	-	-	-	-	-	-	-
B	WC043	Mossel Bay	38 407	31 943	32 850	10 950	5 226	5 462	-	-	-	-	-	-	-	-	-
B	WC044	George	-	-	-	4 018	4 181	4 370	-	-	-	-	-	-	-	-	-
B	WC045	Oudtshoorn	26 035	28 527	29 319	5 516	9 226	8 462	-	-	-	-	-	-	-	-	-
B	WC047	Bitou	33 375	26 315	27 033	6 930	5 226	5 421	-	-	-	-	-	-	-	10 000	8 584
B	WC048	Knysna	30 098	33 071	34 015	8 300	9 407	9 832	-	-	-	-	-	-	-	-	-
C	DC4	Garden Route District Municipality	-	-	-	-	-	-	2 958	3 076	3 172	-	-	-	-	-	-
Total: Garden Route Municipalities			**164 822**	**149 528**	**153 552**	**35 714**	**41 162**	**41 590**	**2 958**	**3 076**	**3 172**	**-**	**-**	**-**	**8 000**	**24 000**	**56 984**
B	WC051	Laingsburg	7 052	7 295	7 372	-	3 136	3 278	-	-	-	-	-	-	14 236	20 000	17 554
B	WC052	Prince Albert	8 239	8 623	8 745	4 192	3 136	6 278	-	-	-	-	-	-	11 000	20 000	11 000
B	WC053	Beaufort West	16 393	17 746	18 182	-	5 226	5 463	-	-	-	-	-	-	32 241	-	-
C	DC5	Central Karoo District Municipality	-	-	-	-	-	-	2 343	2 437	2 513	-	-	-	-	-	-
Total: Central Karoo Municipalities			**31 684**	**33 664**	**34 299**	**4 192**	**11 498**	**15 019**	**2 343**	**2 437**	**2 513**	**-**	**-**	**-**	**57 477**	**40 000**	**28 554**
Total: Western Cape Municipalities			**513 163**	**501 068**	**514 406**	**179 846**	**191 054**	**202 423**	**14 900**	**15 495**	**15 977**	**225 000**	**-**	**-**	**170 719**	**148 050**	**154 697**
Unallocated			-	452 000	452 000	-	-	-	-	-	-	-	-	-	-	-	-
National Total			**17 504 197**	**20 029 611**	**20 652 115**	**1 902 274**	**1 978 188**	**2 039 668**	**131 145**	**136 379**	**140 617**	**3 901 746**	**3 864 717**	**3 649 002**	**4 389 052**	**4 564 206**	**4 706 058**

ANNEXURE W5

INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES
(SCHEDULE 4, PART B AND SCHEDULE 5, PART B) 2 OF 2

			Integrated Urban Development Grant			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant			Urban Development Financing Grant			Public Transport Network 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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE																							
A	BUF	Buffalo City	-	-	-	298 101	344 442	355 147	197 397	175 227	144 509	-	-	-	588 569	664 883	862 541	-	-	-	1 084 067	1 184 552	1 362 197
A	NMA	Nelson Mandela Bay	-	-	-	353 844	408 849	421 556	234 309	207 993	171 530	-	-	-	650 747	758 123	971 149	211 004	201 025	201 186	1 548 493	1 583 990	1 773 421
B	EC101	Dr Beyers Naude	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67 838	76 293	76 224
B	EC102	Blue Crane Route	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51 468	42 242	46 235
B	EC104	Makana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56 407	40 340	41 623
B	EC105	Ndlambe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72 713	69 788	72 349
B	EC106	Sundays River Valley	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64 580	70 209	66 636
B	EC108	Kouga	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57 595	59 846	61 888
B	EC109	Kou-Kamma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49 264	43 521	38 908
C	DC10	Sarah Baartman District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 732	2 841	2 929
Total: Sarah Baartman Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**422 597**	**405 080**	**406 792**
B	EC121	Mbhashe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85 861	96 997	100 047
B	EC122	Mnquma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86 012	100 571	97 929
B	EC123	Great Kei	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17 315	20 780	21 390
B	EC124	Amahlathi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	58 988	49 800	47 263
B	EC126	Ngqushwa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33 620	42 062	39 268
B	EC129	Raymond Mhlaba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62 078	61 950	67 960
C	DC12	Amathole District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	612 539	698 528	719 157
Total: Amathole Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**956 413**	**1 070 688**	**1 093 014**
B	EC131	Inxuba Yethemba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31 070	31 458	29 409
B	EC135	Intsika Yethu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59 257	70 706	70 034
B	EC136	Emalahleni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 698	61 354	57 045
B	EC137	Dr. A.B. Xuma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64 618	66 389	68 611
B	EC138	Sakhisizwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 486	31 141	36 105
B	EC139	Enoch Mgijima	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82 699	83 488	90 226
C	DC13	Chris Hani District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	426 514	747 233	776 193
Total: Chris Hani Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**753 342**	**1 091 769**	**1 127 623**
B	EC141	Elundini	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65 133	74 322	70 047
B	EC142	Senqu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47 698	57 962	59 805
B	EC145	Walter Sisulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41 617	37 574	34 636
C	DC14	Joe Gqabi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	328 761	476 523	525 340
Total: Joe Gqabi Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**483 209**	**646 381**	**689 828**
B	EC153	Ngquza Hill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	80 441	84 471	87 249
B	EC154	Port St Johns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49 547	65 655	67 913
B	EC155	Nyandeni	-	-	-	-	-	-	-	-	-	27 324	27 324	-	-	-	-	-	-	-	139 444	121 292	97 070
B	EC156	Mhlontlo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79 620	71 873	74 250
B	EC157	King Sabata Dalindyebo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	118 709	140 531	141 137
C	DC15	O.R. Tambo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	974 833	960 619	993 920
Total: O.R. Tambo Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27 324**	**27 324**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 442 594**	**1 444 441**	**1 461 539**
B	EC441	Matatiele	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100 713	89 017	92 086
B	EC442	Umzimvubu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	66 235	82 864	85 701
B	EC443	Winnie Madikizela-Mandela	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70 210	82 503	85 293
B	EC444	Ntabankulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 887	49 690	51 345
C	DC44	Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	551 404	609 404	630 858
Total: Alfred Nzo Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**837 449**	**913 478**	**945 283**
Total: Eastern Cape Municipalities			**-**	**-**	**-**	**651 945**	**753 291**	**776 703**	**431 706**	**383 220**	**316 039**	**27 324**	**27 324**	**-**	**1 239 316**	**1 423 006**	**1 833 690**	**211 004**	**201 025**	**201 186**	**7 528 164**	**8 340 379**	**8 859 697**

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			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant			Urban Development Financing Grant			Public Transport Network 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		
			2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
FREE STATE																							
A	MAN	Mangaung	-	-	-	295 454	341 383	351 993	195 644	173 671	143 225	-	-	-	540 352	610 047	797 588	129 752	122 721	121 974	1 161 202	1 252 822	1 420 780
B	FS161	Letsemeng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37 697	50 558	52 413
B	FS162	Kopanong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47 628	53 700	55 641
B	FS163	Mohokare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32 946	48 482	50 230
B	FS164	New Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC16	Xhariep District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 621	2 726	2 811
Total: Xhariep Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**120 892**	**155 466**	**161 095**
B	FS181	Masilonyana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54 219	61 614	63 866
B	FS182	Tokologo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	146 195	152 163	157 590
B	FS183	Tswelopele	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50 173	49 971	51 629
B	FS184	Matjhabeng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115 155	214 617	215 383
B	FS185	Nala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62 601	69 157	71 649
C	DC18	Lejweleputswa District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 783	7 894	6 984
Total: Lejweleputswa Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**431 126**	**555 416**	**567 101**
B	FS191	Setsoto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	319 083	206 071	200 272
B	FS192	Dihlabeng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	267 508	183 025	210 486
B	FS193	Nketoana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46 277	60 165	62 322
B	FS194	Maluti-a-Phofung	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	272 076	276 306	284 010
B	FS195	Phumelela	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43 341	55 833	53 685
B	FS196	Mantsopa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 857	41 857	43 275
C	DC19	Thabo Mofutsanyana District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 934	9 051	8 146
Total: Thabo Mofutsanyana Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**997 076**	**832 308**	**862 196**
B	FS201	Moqhaka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 691	76 187	78 825
B	FS203	Ngwathe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157 917	270 591	254 239
B	FS204	Metsimaholo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69 298	93 564	96 917
B	FS205	Mafube	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22 912	55 858	57 868
C	DC20	Fezile Dabi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27 575	2 775	2 861
Total: Fezile Dabi Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**320 393**	**498 975**	**490 710**
Total: Free State Municipalities			**-**	**-**	**-**	**295 454**	**341 383**	**351 993**	**195 644**	**173 671**	**143 225**	**-**	**-**	**-**	**540 352**	**610 047**	**797 588**	**129 752**	**122 721**	**121 974**	**3 030 689**	**3 294 987**	**3 501 882**
GAUTENG																							
A	EKU	City of Ekurhuleni	-	-	-	770 359	890 114	917 777	510 118	452 824	373 442	-	-	-	1 203 176	1 379 979	1 769 775	458 701	437 213	437 563	2 950 354	3 168 130	3 506 557
A	JHB	City of Johannesburg	-	-	-	723 680	836 178	862 166	1 633 208	695 387	350 814	-	-	-	2 179 535	2 315 078	2 829 491	685 392	652 546	652 224	5 229 815	4 507 189	4 702 695
A	TSH	City of Tshwane	-	-	-	627 312	724 829	747 356	415 394	368 740	304 098	-	-	-	1 131 812	1 247 519	1 575 491	491 839	468 812	469 188	2 666 357	2 809 900	3 104 133
B	GT421	Emfuleni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	172 674	255 640	264 108
B	GT422	Midvaal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101 687	129 230	135 293
B	GT423	Lesedi	-	-	-	-	-	-	-	-	-	21 157	-	-	-	-	-	-	-	-	150 943	96 173	81 497
C	DC42	Sedibeng District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 971	3 090	7 186
Total: Sedibeng Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21 157**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**433 275**	**484 133**	**488 084**
B	GT481	Mogale City	169 752	161 637	166 660	-	-	-	-	-	-	5 631	-	-	-	-	-	-	-	-	235 383	243 998	251 470
B	GT484	Merafong City	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	117 845	137 665	150 313
B	GT485	Rand West City	-	-	-	-	-	-	-	-	-	30 345	30 345	-	-	-	-	-	-	-	236 964	260 427	240 441
C	DC48	West Rand District Municipality	-	-	-	-	-	-	-	-	-	38 192	38 192	-	-	-	-	-	-	-	41 356	41 482	3 392
Total: West Rand Municipalities			**169 752**	**161 637**	**166 660**	**-**	**-**	**-**	**-**	**-**	**-**	**74 168**	**68 537**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**631 548**	**683 572**	**645 616**
Total: Gauteng Municipalities			**169 752**	**161 637**	**166 660**	**2 121 351**	**2 451 121**	**2 527 299**	**2 558 719**	**1 516 951**	**1 028 353**	**95 325**	**68 537**	**-**	**4 514 523**	**4 942 576**	**6 174 757**	**1 635 932**	**1 558 571**	**1 558 975**	**11 911 348**	**11 652 924**	**12 447 084**

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			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant			Urban Development Financing Grant			Public Transport Network 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		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
KWAZULU-NATAL																						
A	ETH eThekwini	-	-	-	768 457	887 915	915 511	508 858	451 707	372 520	-	-	-	1 367 522	1 518 954	1 920 555	525 700	500 273	499 829	3 178 537	3 366 849	3 716 415
B	KZN212 uMdoni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 662	48 959	50 523
B	KZN213 uMzumbe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 526	55 865	57 685
B	KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28 941	37 344	38 504
B	KZN216 Ray Nkonyeni	95 211	84 153	86 768	-	-	-	-	-	-	10 299	-	-	-	-	-	-	-	-	118 614	96 469	98 415
C	DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	423 671	484 227	440 299
Total: Ugu Municipalities		**95 211**	**84 153**	**86 768**	**-**	**-**	**-**	**-**	**-**	**-**	**10 299**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**652 414**	**722 864**	**685 426**
B	KZN221 uMshwathi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 344	43 496	44 864
B	KZN222 uMngeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68 676	46 448	48 024
B	KZN223 Mpofana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13 977	15 041	15 378
B	KZN224 iMpendle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22 696	14 580	14 902
B	KZN225 Msunduzi	-	-	-	-	-	-	-	-	-	39 940	39 890	-	-	-	-	20 000	20 000	20 000	394 649	428 539	397 769
B	KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37 851	28 642	32 528
B	KZN227 Richmond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23 774	30 660	31 598
C	DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	235 968	257 096	258 160
Total: uMgungundlovu Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**39 940**	**39 890**	**-**	**-**	**-**	**-**	**20 000**	**20 000**	**20 000**	**837 935**	**864 502**	**843 223**
B	KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 144	49 731	51 369
B	KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72 550	66 044	68 084
B	KZN238 Alfred Duma	107 023	85 427	88 082	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	117 465	92 743	99 729
C	DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	225 072	250 901	259 169
Total: uThukela Municipalities		**107 023**	**85 427**	**88 082**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**457 231**	**459 419**	**478 351**
B	KZN241 eNdumeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28 518	24 817	25 544
B	KZN242 Nquthu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56 103	58 038	60 004
B	KZN244 uMsinga	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54 259	67 950	70 262
B	KZN245 uMvoti	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 060	47 699	52 221
C	DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	329 848	375 942	357 894
Total: uMzinyathi Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**508 788**	**574 446**	**565 925**
B	KZN252 Newcastle	-	-	-	-	-	-	-	-	-	15 000	2 747	-	-	-	-	-	-	-	254 159	260 085	268 632
B	KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 867	11 193	11 402
B	KZN254 Dannhauser	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26 378	35 837	35 774
C	DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	161 938	167 124	176 716
Total: Amajuba Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15 000**	**2 747**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**455 342**	**474 239**	**492 524**
B	KZN261 eDumbe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39 098	34 064	35 162
B	KZN262 uPhongolo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41 193	44 514	45 915
B	KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	66 021	62 227	65 149
B	KZN265 Nongoma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 467	48 543	50 068
B	KZN266 Ulundi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44 495	48 214	49 741
C	DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	760 484	769 479	827 871
Total: Zululand Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**993 758**	**1 007 041**	**1 073 906**
B	KZN271 uMhlabuyalingana	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53 487	58 109	60 016
B	KZN272 Jozini	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46 304	51 197	52 751
B	KZN275 Inkosi uMtubatuba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39 108	43 148	44 432
B	KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32 858	36 230	37 372
C	DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	274 455	314 748	444 925
Total: uMkhanyakude Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**446 212**	**503 432**	**639 496**
B	KZN281 uMfolozi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45 469	44 792	46 241
B	KZN282 uMhlathuze	163 107	147 321	151 899	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	254 351	224 632	250 359
B	KZN284 uMlalazi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55 151	60 902	62 847
B	KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 467	30 103	31 023
B	KZN286 Nkandla	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42 927	43 957	41 244
C	DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	493 702	632 337	673 275
Total: King Cetshwayo Municipalities		**163 107**	**147 321**	**151 899**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**930 067**	**1 036 723**	**1 104 989**
B	KZN291 Mandeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43 741	57 851	59 739
B	KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77 084	81 443	84 127
B	KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 013	48 538	50 097
B	KZN294 Maphumulo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33 211	39 461	40 733
C	DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	355 335	388 151	391 779
Total: iLembe Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**549 384**	**615 444**	**626 475**
B	KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41 240	29 116	30 003
B	KZN434 Johannes Phumani Phungula	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33 626	43 572	44 955
B	KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67 197	64 947	67 025
B	KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35 122	41 813	43 112
C	DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	359 865	423 813	418 249
Total: Harry Gwala Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**537 050**	**603 261**	**603 344**
Total: KwaZulu-Natal Municipalities		**365 341**	**316 901**	**326 749**	**768 457**	**887 915**	**915 511**	**508 858**	**451 707**	**372 520**	**65 239**	**42 637**	**-**	**1 367 522**	**1 518 954**	**1 920 555**	**545 700**	**520 273**	**519 829**	**9 546 718**	**10 228 220**	**10 830 074**

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			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant			Urban Development Financing Grant			Public Transport Network 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		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
LIMPOPO																						
B	LIM331 Greater Giyani	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	96 354	108 269	107 840
B	LIM332 Greater Letaba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85 567	89 426	96 376
B	LIM333 Greater Tzaneen	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	146 958	145 706	150 415
B	LIM334 Ba-Phalaborwa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41 293	55 940	53 617
B	LIM335 Maruleng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55 461	36 101	37 148
C	DC33 Mopani District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	553 852	618 652	639 297
Total: Mopani Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**979 485**	**1 054 094**	**1 084 693**
B	LIM341 Musina	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44 649	49 045	50 640
B	LIM343 Thulamela	-	-	-	-	-	-	-	-	-	11 548	-	-	-	-	-	-	-	-	148 895	156 623	157 741
B	LIM344 Makhado	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121 229	136 062	140 593
B	LIM345 Collins Chabane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	126 355	128 772	132 918
C	DC34 Vhembe District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	736 043	790 677	818 121
Total: Vhembe Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11 548**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 177 171**	**1 261 179**	**1 300 013**
B	LIM351 Blouberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	71 044	77 857	80 502
B	LIM353 Molemole	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55 098	55 308	57 086
B	LIM354 Polokwane	473 592	470 067	484 676	-	-	-	-	-	-	18 857	12 000	6 000	-	-	-	134 173	127 763	127 866	1 419 744	1 591 368	1 297 130
B	LIM355 Lepele-Nkumpi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	71 311	82 310	84 997
C	DC35 Capricorn District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	392 525	463 914	481 023
Total: Capricorn Municipalities		**473 592**	**470 067**	**484 676**	**-**	**-**	**-**	**-**	**-**	**-**	**18 857**	**12 000**	**6 000**	**-**	**-**	**-**	**134 173**	**127 763**	**127 866**	**2 009 722**	**2 270 757**	**2 000 738**
B	LIM361 Thabazimbi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 758	61 055	63 135
B	LIM362 Lephalale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61 205	74 634	72 979
B	LIM366 Bela-Bela	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121 224	139 706	147 293
B	LIM367 Mogalakwena	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	311 700	306 903	319 958
B	LIM368 Modimolle-Mookgophong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52 006	63 478	65 580
C	DC36 Waterberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 601	2 705	2 789
Total: Waterberg Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**597 494**	**648 481**	**671 734**
B	LIM471 Ephraim Mogale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56 267	45 563	46 928
B	LIM472 Elias Motsoaledi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	87 080	85 399	84 031
B	LIM473 Makhuduthamaga	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	78 954	101 418	104 836
B	LIM476 Fetakgomo Tubatse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107 066	146 572	151 664
C	DC47 Sekhukhune District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	415 845	646 890	668 484
Total: Sekhukhune Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**745 212**	**1 025 842**	**1 055 943**
Total: Limpopo Municipalities		**473 592**	**470 067**	**484 676**	**-**	**-**	**-**	**-**	**-**	**-**	**30 405**	**12 000**	**6 000**	**-**	**-**	**-**	**134 173**	**127 763**	**127 866**	**5 509 084**	**6 260 353**	**6 113 121**
MPUMALANGA																						
B	MP301 Chief Albert Luthuli	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	447 620	452 330	442 906
B	MP302 Msukaligwa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	431 636	284 546	342 173
B	MP303 Mkhondo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134 832	127 656	127 846
B	MP304 Dr Pixley ka Isaka Seme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	86 841	85 356	88 629
B	MP305 Lekwa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36 640	52 810	54 402
B	MP306 Dipaleseng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16 753	34 505	35 615
B	MP307 Govan Mbeki	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107 609	97 549	104 869
C	DC30 Gert Sibande District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15 868	2 936	3 027
Total: Gert Sibande Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 277 799**	**1 137 688**	**1 199 467**
B	MP311 Victor Khanye	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32 036	43 011	44 407
B	MP312 Emalahleni	-	-	-	-	-	-	-	-	-	5 000	5 000	5 000	-	-	-	-	-	-	248 195	243 133	255 994
B	MP313 Steve Tshwete	75 762	67 640	69 742	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89 391	147 845	153 551
B	MP314 Emakhazeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	81 029	80 342	82 882
B	MP315 Thembisile Hani	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	255 805	248 129	257 009
B	MP316 Dr JS Moroka	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188 804	171 414	177 014
C	DC31 Nkangala District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 659	7 765	7 851
Total: Nkangala Municipalities		**75 762**	**67 640**	**69 742**	**-**	**-**	**-**	**-**	**-**	**-**	**5 000**	**5 000**	**5 000**	**-**	**-**	**-**	**-**	**-**	**-**	**901 919**	**941 639**	**978 708**
B	MP321 Thaba Chweu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	135 728	165 783	172 339
B	MP324 Nkomazi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	318 423	387 742	401 505
B	MP325 Bushbuckridge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	515 718	615 364	632 865
B	MP326 City of Mbombela	-	-	-	-	-	-	-	-	-	34 350	34 350	-	-	-	-	-	-	-	473 052	523 422	508 790
C	DC32 Ehlanzeni District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 868	2 982	3 075
Total: Ehlanzeni Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**34 350**	**34 350**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 445 789**	**1 695 293**	**1 718 574**
Total: Mpumalanga Municipalities		**75 762**	**67 640**	**69 742**	**-**	**-**	**-**	**-**	**-**	**-**	**39 350**	**39 350**	**5 000**	**-**	**-**	**-**	**-**	**-**	**-**	**3 625 507**	**3 774 620**	**3 896 749**

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			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant			Urban Development Financing Grant			Public Transport Network 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		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
NORTHERN CAPE																						
B	NC061 Richtersveld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 943	28 639	29 664
B	NC062 Nama Khoi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39 171	50 127	47 822
B	NC064 Kamiesberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8 221	9 724	9 896
B	NC065 Hantam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19 365	35 690	36 994
B	NC066 Karoo Hoogland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 216	11 136	11 363
B	NC067 Khâi-Ma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 993	10 901	11 122
C	DC6 Namakwa District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 541	3 682	3 796
Total: Namakwa Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**135 450**	**149 899**	**150 657**
B	NC071 Ubuntu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33 262	18 912	16 325
B	NC072 Umsobomvu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21 596	30 413	31 451
B	NC073 Emthanjeni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41 876	29 478	30 465
B	NC074 Kareeberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 674	21 885	22 595
B	NC075 Renosterberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24 133	9 875	10 055
B	NC076 Thembelihle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 704	27 512	31 454
B	NC077 Siyathemba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14 094	15 243	15 627
B	NC078 Siyancuma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41 812	39 769	41 149
C	DC7 Pixley Ka Seme District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 672	3 818	3 937
Total: Pixley Ka Seme Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**239 823**	**196 905**	**203 058**
B	NC082 !Kai !Garib	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36 616	35 368	36 458
B	NC084 !Kheis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25 072	14 031	14 348
B	NC085 Tsantsabane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34 936	26 964	27 788
B	NC086 Kgatelopele	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 181	11 411	11 650
B	NC087 Dawid Kruiper	-	-	-	-	-	-	-	-	-	31 922	-	-	-	-	-	-	-	-	98 251	60 142	66 303
C	DC8 Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 497	3 637	3 750
Total: Z.F. Mgcawu Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31 922**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**216 553**	**151 553**	**160 297**
B	NC091 Sol Plaatjie	90 121	67 748	69 854	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	699 642	572 381	339 148
B	NC092 Dikgatlong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 261	30 657	31 581
B	NC093 Magareng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26 935	35 595	36 872
B	NC094 Phokwane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61 619	90 331	93 831
C	DC9 Frances Baard District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8 074	8 197	8 296
Total: Frances Baard Municipalities		**90 121**	**67 748**	**69 854**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**834 531**	**737 161**	**509 728**
B	NC451 Joe Morolong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	104 026	145 831	151 298
B	NC452 Ga-Segonyana	-	-	-	-	-	-	-	-	-	8 224	-	-	-	-	-	-	-	-	118 597	141 435	147 474
B	NC453 Gamagara	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45 206	56 644	58 857
C	DC45 John Taolo Gaetsewe District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 419	2 516	2 594
Total: John Taolo Gaetsewe Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8 224**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**270 248**	**346 426**	**360 223**
Total: Northern Cape Municipalities		**90 121**	**67 748**	**69 854**	**-**	**-**	**-**	**-**	**-**	**-**	**40 146**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 696 605**	**1 581 944**	**1 383 963**
NORTH WEST																						
B	NW371 Moretele	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163 091	206 404	213 732
B	NW372 Madibeng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	376 631	408 734	426 551
B	NW373 Rustenburg	-	-	-	-	-	-	-	-	-	11 545	11 545	-	-	-	-	159 488	151 903	152 024	537 195	559 770	566 535
B	NW374 Kgetlengrivier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 894	34 148	38 128
B	NW375 Moses Kotane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	236 689	262 052	271 336
C	DC37 Bojanala Platinum District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 884	2 999	3 092
Total: Bojanala Platinum Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11 545**	**11 545**	**-**	**-**	**-**	**-**	**159 488**	**151 903**	**152 024**	**1 355 384**	**1 474 107**	**1 519 374**
B	NW381 Ratlou	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36 104	39 788	40 959
B	NW382 Tswaing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35 954	44 324	45 702
B	NW383 Mafikeng	-	-	-	-	-	-	-	-	-	15 624	20 000	20 000	-	-	-	-	-	-	124 380	110 308	114 011
B	NW384 Ditsobotla	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45 242	53 125	54 780
B	NW385 Ramotshere Moiloa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56 235	55 848	57 617
C	DC38 Ngaka Modiri Molema District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	366 373	408 934	422 520
Total: Ngaka Modiri Molema Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**15 624**	**20 000**	**20 000**	**-**	**-**	**-**	**-**	**-**	**-**	**664 288**	**712 327**	**735 589**
B	NW392 Naledi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38 070	34 655	35 798
B	NW393 Mamusa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28 054	31 606	35 632
B	NW394 Greater Taung	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59 316	65 750	67 794
B	NW396 Lekwa-Teemane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 276	18 994	19 465
B	NW397 Kagisano-Molopo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36 955	44 740	45 943
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	685 299	687 483	817 658
Total: Dr Ruth Segomotsi Mompati Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**865 970**	**883 228**	**1 022 290**
B	NW403 City of Matlosana	-	-	-	-	-	-	-	-	-	44 295	10 000	5 000	-	-	-	-	-	-	252 290	219 980	226 870
B	NW404 Maquassi Hills	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	121 458	112 562	117 024
B	NW405 JB Marks	-	-	-	-	-	-	-	-	-	21 273	21 273	21 273	-	-	-	-	-	-	185 270	195 439	206 063
C	DC40 Dr Kenneth Kaunda District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7 001	7 121	3 218
Total: Dr Kenneth Kaunda Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**65 568**	**31 273**	**26 273**	**-**	**-**	**-**	**-**	**-**	**-**	**566 019**	**535 102**	**553 175**
Total: North West Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**92 737**	**62 818**	**46 273**	**-**	**-**	**-**	**159 488**	**151 903**	**152 024**	**3 451 661**	**3 604 764**	**3 830 428**

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			Informal Settlements Upgrading Partnership Grant: Municipalities			Urban Settlements Development Grant			Neighbourhood Development Partnership Grant			Urban Development Financing Grant			Public Transport Network 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		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
WESTERN CAPE																						
A	CPT City of Cape Town	-	-	-	580 109	670 288	691 120	384 137	340 994	281 215	-	-	-	1 362 645	1 483 164	1 919 109	2 710 507	1 275 498	509 906	5 044 398	3 777 944	3 409 420
B	WC011 Matzikama	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82 524	59 637	60 206
B	WC012 Cederberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32 881	53 512	51 531
B	WC013 Bergrivier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34 848	25 618	26 213
B	WC014 Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23 342	34 861	35 974
B	WC015 Swartland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69 817	49 940	51 704
C	DC1 West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 087	3 210	3 310
Total: West Coast Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**246 499**	**226 778**	**228 938**
B	WC022 Witzenberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30 062	51 299	41 158
B	WC023 Drakenstein	66 889	47 304	48 774	-	-	-	-	-	-	12 000	-	-	-	-	-	-	-	-	325 874	59 767	61 800
B	WC024 Stellenbosch	64 181	48 193	49 691	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64 181	58 585	60 553
B	WC025 Breede Valley	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72 142	71 852	67 078
B	WC026 Langeberg	-	-	-	-	-	-	-	-	-	10 000	10 000	9 125	-	-	-	-	-	-	39 090	42 671	42 769
C	DC2 Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 280	3 411	3 517
Total: Cape Winelands Municipalities		**131 070**	**95 497**	**98 465**	**-**	**-**	**-**	**-**	**-**	**-**	**22 000**	**10 000**	**9 125**	**-**	**-**	**-**	**-**	**-**	**-**	**534 629**	**287 585**	**276 875**
B	WC031 Theewaterskloof	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37 386	41 499	42 799
B	WC032 Overstrand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82 949	39 105	46 368
B	WC033 Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 585	27 573	27 953
B	WC034 Swellendam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25 228	21 898	24 942
C	DC3 Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3 232	3 361	3 465
Total: Overberg Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**161 380**	**133 436**	**145 527**
B	WC041 Kannaland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19 632	27 177	61 832
B	WC042 Hessequa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25 275	24 391	24 946
B	WC043 Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49 357	37 169	38 312
B	WC044 George	73 551	54 228	55 913	-	-	-	-	-	-	5 430	-	-	-	-	-	184 884	177 668	180 361	267 883	236 077	240 644
B	WC045 Oudtshoorn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31 551	37 753	37 781
B	WC047 Bitou	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40 305	41 541	41 038
B	WC048 Knysna	-	-	-	-	-	-	-	-	-	10 000	-	-	-	-	-	-	-	-	48 398	42 478	43 847
C	DC4 Garden Route District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 958	3 076	3 172
Total: Garden Route Municipalities		**73 551**	**54 228**	**55 913**	**-**	**-**	**-**	**-**	**-**	**-**	**15 430**	**-**	**-**	**-**	**-**	**-**	**184 884**	**177 668**	**180 361**	**485 359**	**449 662**	**491 572**
B	WC051 Laingsburg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21 288	30 431	28 204
B	WC052 Prince Albert	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23 431	31 759	26 023
B	WC053 Beaufort West	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 634	22 972	23 645
C	DC5 Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 343	2 437	2 513
Total: Central Karoo Municipalities		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**95 696**	**87 599**	**80 385**
Total: Western Cape Municipalities		**204 621**	**149 725**	**154 378**	**580 109**	**670 288**	**691 120**	**384 137**	**340 994**	**281 215**	**37 430**	**10 000**	**9 125**	**1 362 645**	**1 483 164**	**1 919 109**	**2 895 391**	**1 453 166**	**690 267**	**6 567 961**	**4 963 004**	**4 632 717**
Unallocated		-	200 585	206 821	-	-	-	-	-	-	-	-	-	-	-	-	-	374 380	374 680	-	1 026 965	1 033 501
National Total		**1 379 189**	**1 434 303**	**1 478 880**	**4 417 316**	**5 103 998**	**5 262 626**	**4 079 065**	**2 866 543**	**2 141 352**	**427 956**	**262 666**	**66 398**	**9 024 358**	**9 977 747**	**12 645 699**	**5 711 440**	**4 509 802**	**3 746 801**	**52 867 738**	**54 728 160**	**56 529 216**

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			Integrated National Electrification Programme (Eskom) Grant			Smart Meters Grant			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		
			2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE																				
A	BUF	Buffalo City	-	-	-	49 085	40 042	76 487	-	-	-	-	-	-	-	-	-	49 085	40 042	76 487
A	NMA	Nelson Mandela Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	EC101	Dr Beyers Naude	-	-	-	281	9 156	7 203	-	-	-	-	-	-	-	-	-	281	9 156	7 203
B	EC102	Blue Crane Route	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	EC104	Makana	-	-	-	12 075	12 060	8 549	-	-	-	70 028	100 000	68 180	22 000	47 000	48 457	104 103	159 060	125 186
B	EC105	Ndlambe	-	-	-	9 026	6 023	8 881	-	-	-	33 000	-	-	-	-	-	42 026	6 023	8 881
B	EC106	Sundays River Valley	-	-	-	11 628	6 269	11 815	-	-	-	8 000	2 000	-	-	-	-	19 628	8 269	11 815
B	EC108	Kouga	-	-	-	362	6 047	10 246	-	-	-	-	-	-	-	-	-	362	6 047	10 246
B	EC109	Kou-Kamma	-	-	-	362	7 013	10 578	-	-	-	-	-	-	23 000	-	-	23 362	7 013	10 578
C	DC10	Sarah Baartman District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Sarah Baartman Municipalities			**-**	**-**	**-**	**33 734**	**46 568**	**57 272**	**-**	**-**	**-**	**111 028**	**102 000**	**68 180**	**45 000**	**47 000**	**48 457**	**189 762**	**195 568**	**173 909**
B	EC121	Mbhashe	-	-	-	27 349	52 568	26 543	-	-	-	-	-	-	-	-	-	27 349	52 568	26 543
B	EC122	Mnquma	-	-	-	11 628	18 851	16 779	-	-	-	-	-	-	-	-	-	11 628	18 851	16 779
B	EC123	Great Kei	-	-	-	362	11 578	13 283	-	-	-	-	-	-	-	-	-	362	11 578	13 283
B	EC124	Amahlathi	-	-	-	41 695	12 645	16 755	-	-	-	-	-	-	-	-	-	41 695	12 645	16 755
B	EC126	Ngqushwa	-	-	-	362	14 025	7 677	-	-	-	-	-	-	-	-	-	362	14 025	7 677
B	EC129	Raymond Mhlaba	-	-	-	16 765	24 470	47 340	50 000	-	-	-	-	-	-	-	-	66 765	24 470	47 340
C	DC12	Amathole District Municipality	19 524	-	-	-	-	-	-	-	-	90 401	129 571	66 563	-	-	-	109 925	129 571	66 563
Total: Amathole Municipalities			**19 524**	**-**	**-**	**98 161**	**134 137**	**128 377**	**50 000**	**-**	**-**	**90 401**	**129 571**	**66 563**	**-**	**-**	**-**	**258 086**	**263 708**	**194 940**
B	EC131	Inxuba Yethemba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	EC135	Intsika Yethu	-	-	-	15 818	34 670	25 180	-	-	-	-	-	-	-	-	-	15 818	34 670	25 180
B	EC136	Emalahleni	-	-	-	424	16 644	11 031	-	-	-	-	-	-	-	-	-	424	16 644	11 031
B	EC137	Dr. A.B. Xuma	-	-	-	423	10 648	12 259	-	-	-	-	-	-	-	-	-	423	10 648	12 259
B	EC138	Sakhisizwe	-	-	-	10 143	16 341	13 671	-	-	-	-	-	-	-	-	-	10 143	16 341	13 671
B	EC139	Enoch Mgijima	-	-	-	28 618	14 835	21 693	15 000	-	-	-	-	-	-	-	-	43 618	14 835	21 693
C	DC13	Chris Hani District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Chris Hani Municipalities			**-**	**-**	**-**	**55 426**	**93 138**	**83 834**	**15 000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**70 426**	**93 138**	**83 834**
B	EC141	Elundini	-	-	-	9 902	38 199	40 187	-	-	-	-	-	-	-	-	-	9 902	38 199	40 187
B	EC142	Senqu	-	-	-	8 654	7 698	13 587	-	-	-	-	-	-	-	-	-	8 654	7 698	13 587
B	EC145	Walter Sisulu	-	-	-	386	-	-	-	-	-	-	-	-	-	-	-	386	-	-
C	DC14	Joe Gqabi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Joe Gqabi Municipalities			**-**	**-**	**-**	**18 942**	**45 897**	**53 774**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18 942**	**45 897**	**53 774**
B	EC153	Ngquza Hill	-	-	-	16 953	26 206	25 906	-	-	-	-	-	-	-	-	-	16 953	26 206	25 906
B	EC154	Port St Johns	-	-	-	423	15 358	16 159	-	-	-	-	-	-	-	-	-	423	15 358	16 159
B	EC155	Nyandeni	-	-	-	21 481	53 204	31 595	-	-	-	-	-	-	-	-	-	21 481	53 204	31 595
B	EC156	Mhlontlo	-	-	-	12 994	14 196	16 348	-	-	-	-	-	-	-	-	-	12 994	14 196	16 348
B	EC157	King Sabata Dalindyebo	-	-	-	56 692	43 874	24 795	-	-	-	-	-	-	-	-	-	56 692	43 874	24 795
C	DC15	O.R. Tambo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: O.R. Tambo Municipalities			**-**	**-**	**-**	**108 543**	**152 838**	**114 803**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**108 543**	**152 838**	**114 803**
B	EC441	Matatiele	-	-	-	17 448	18 113	23 790	-	-	-	-	-	-	-	-	-	17 448	18 113	23 790
B	EC442	Umzimvubu	-	-	-	24 693	29 408	28 906	-	-	-	-	-	-	-	-	-	24 693	29 408	28 906
B	EC443	Winnie Madikizela-Mandela	-	-	-	33 750	42 623	38 070	-	-	-	-	-	-	-	-	-	33 750	42 623	38 070
B	EC444	Ntabankulu	-	-	-	423	9 573	12 410	-	-	-	-	-	-	-	-	-	423	9 573	12 410
C	DC44	Alfred Nzo District Municipality	-	-	-	-	-	-	-	-	-	100 000	116 429	224 045	-	-	-	100 000	116 429	224 045
Total: Alfred Nzo Municipalities			**-**	**-**	**-**	**76 314**	**99 717**	**103 176**	**-**	**-**	**-**	**100 000**	**116 429**	**224 045**	**-**	**-**	**-**	**176 314**	**216 146**	**327 221**
Total: Eastern Cape Municipalities			**19 524**	**-**	**-**	**440 205**	**612 337**	**617 723**	**65 000**	**-**	**-**	**301 429**	**348 000**	**358 788**	**45 000**	**47 000**	**48 457**	**871 158**	**1 007 337**	**1 024 968**

ANNEXURE W6

ALLOCATIONS-IN-KIND TO MUNICIPALITIES
(SCHEDULE 6, PART B)

Category		Municipality	Municipal Infrastructure Grant			Integrated National Electrification Programme (Eskom) Grant			Smart Meters Grant			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		
			2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
FREE STATE																				
A	MAN	Mangaung	-	-	-	634	1 237	948	-	-	-	-	-	-	-	-	-	634	1 237	948
B	FS161	Letsemeng	9 576	-	-	81	82	82	-	-	-	-	-	-	-	-	-	9 657	82	82
B	FS162	Kopanong	-	-	-	697	515	4 331	-	-	-	-	-	-	8 000	6 500	6 382	8 697	7 015	10 713
B	FS163	Mohokare	9 513	-	-	33	33	32	-	-	-	23 580	4 000	-	5 000	6 500	6 382	38 126	10 533	6 414
B	FS164	New Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC16	Xhariep District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Xhariep Municipalities			**19 089**	**-**	**-**	**811**	**630**	**4 445**	**-**	**-**	**-**	**23 580**	**4 000**	**-**	**13 000**	**13 000**	**12 764**	**56 480**	**17 630**	**17 209**
B	FS181	Masilonyana	11 538	-	-	33	33	33	-	-	-	13 000	54 915	57 381	-	-	-	24 571	54 948	57 414
B	FS182	Tokologo	-	-	-	33	214	3 317	-	-	-	20 760	-	-	-	-	-	20 793	214	3 317
B	FS183	Tswelopele	-	-	-	65	65	65	-	-	-	-	-	-	-	-	-	65	65	65
B	FS184	Matjhabeng	68 637	-	-	10 630	8 180	6 363	100 000	-	-	265 499	259 832	272 642	-	-	-	444 766	268 012	279 005
B	FS185	Nala	-	-	-	49	49	49	-	-	-	-	-	-	-	-	-	49	49	49
C	DC18	Lejweleputswa District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Lejweleputswa Municipalities			**80 175**	**-**	**-**	**10 810**	**8 541**	**9 827**	**100 000**	**-**	**-**	**299 259**	**314 747**	**330 023**	**-**	**-**	**-**	**490 244**	**323 288**	**339 850**
B	FS191	Setsoto	-	-	-	731	6 116	6 003	-	-	-	-	-	-	39 833	31 650	4 500	40 564	37 766	10 503
B	FS192	Dihlabeng	23 059	-	-	82	2 352	19 329	20 000	-	-	30 000	-	-	-	-	-	73 141	2 352	19 329
B	FS193	Nketoana	14 934	-	-	4 676	6 118	2 722	-	-	-	86 570	162 599	176 169	-	-	-	106 180	168 717	178 891
B	FS194	Maluti-a-Phofung	-	-	-	9 158	548	65	100 000	-	-	124 989	209 064	217 309	-	6 000	6 486	234 147	215 612	223 860
B	FS195	Phumelela	9 608	-	-	2 784	196	196	-	-	-	-	-	-	-	-	-	12 392	196	196
B	FS196	Mantsopa	-	-	-	3 493	114	114	-	-	-	14 500	-	-	-	-	-	17 993	114	114
C	DC19	Thabo Mofutsanyana District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Thabo Mofutsanyana Municipalities			**47 601**	**-**	**-**	**20 924**	**15 444**	**28 429**	**120 000**	**-**	**-**	**256 059**	**371 663**	**393 478**	**39 833**	**37 650**	**10 986**	**484 417**	**424 757**	**432 893**
B	FS201	Moqhaka	22 104	-	-	5 314	756	9 692	-	-	-	42 040	-	-	-	-	-	69 458	756	9 692
B	FS203	Ngwathe	19 398	-	-	33	33	33	-	-	-	-	-	-	-	-	-	19 431	33	33
B	FS204	Metsimaholo	23 876	-	-	33	33	33	-	-	-	-	-	-	-	-	-	23 909	33	33
B	FS205	Mafube	13 303	-	-	33	33	33	-	-	-	74 762	33 500	32 914	15 000	10 600	11 359	103 098	44 133	44 306
C	DC20	Fezile Dabi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Fezile Dabi Municipalities			**78 681**	**-**	**-**	**5 413**	**855**	**9 791**	**-**	**-**	**-**	**116 802**	**33 500**	**32 914**	**15 000**	**10 600**	**11 359**	**215 896**	**44 955**	**54 064**
Total: Free State Municipalities			**225 546**	**-**	**-**	**38 592**	**26 707**	**53 440**	**220 000**	**-**	**-**	**695 700**	**723 910**	**756 415**	**67 833**	**61 250**	**35 109**	**1 247 671**	**811 867**	**844 964**
GAUTENG																				
A	EKU	City of Ekurhuleni	-	-	-	28 543	39 280	24 433	-	-	-	-	-	-	-	-	-	28 543	39 280	24 433
A	JHB	City of Johannesburg	-	-	-	10 512	449	5 806	-	-	-	-	-	-	-	-	-	10 512	449	5 806
A	TSH	City of Tshwane	-	-	-	9 975	8 408	53 578	-	-	-	-	-	-	-	-	-	9 975	8 408	53 578
B	GT421	Emfuleni	51 732	-	-	19 963	16 603	4 160	-	-	-	601 221	602 122	662 888	-	-	-	672 916	618 725	667 048
B	GT422	Midvaal	-	-	-	-	-	-	-	-	-	45 000	-	-	-	-	-	45 000	-	-
B	GT423	Lesedi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC42	Sedibeng District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Sedibeng Municipalities			**51 732**	**-**	**-**	**19 963**	**16 603**	**4 160**	**-**	**-**	**-**	**646 221**	**602 122**	**662 888**	**-**	**-**	**-**	**717 916**	**618 725**	**667 048**
B	GT481	Mogale City	-	-	-	10 266	20 349	8 370	-	-	-	-	-	-	-	-	-	10 266	20 349	8 370
B	GT484	Merafong City	-	-	-	825	123	3 731	-	-	-	-	-	-	-	-	-	825	123	3 731
B	GT485	Rand West City	-	-	-	1 187	123	-	-	-	-	100 000	147 250	109 715	-	-	-	101 187	147 373	109 715
C	DC48	West Rand District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: West Rand Municipalities			**-**	**-**	**-**	**12 278**	**20 595**	**12 101**	**-**	**-**	**-**	**100 000**	**147 250**	**109 715**	**-**	**-**	**-**	**112 278**	**167 845**	**121 816**
Total: Gauteng Municipalities			**51 732**	**-**	**-**	**81 271**	**85 335**	**100 078**	**-**	**-**	**-**	**746 221**	**749 372**	**772 603**	**-**	**-**	**-**	**879 224**	**834 707**	**872 681**

ANNEXURE W6

ALLOCATIONS-IN-KIND TO MUNICIPALITIES
(SCHEDULE 6, PART B)

Category	Municipality	Municipal Infrastructure Grant			Integrated National Electrification Programme (Eskom) Grant			Smart Meters Grant			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		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
KWAZULU-NATAL																			
A	ETH eThekwini	-	-	-	23 411	30 024	9 775	-	-	-	-	-	-	-	-	-	23 411	30 024	9 775
B	KZN212 uMdoni	-	-	-	22 200	9 711	41 114	-	-	-	-	-	-	-	-	-	22 200	9 711	41 114
B	KZN213 uMzumbe	-	-	-	3 916	-	-	-	-	-	-	-	-	-	-	-	3 916	-	-
B	KZN214 uMuziwabantu	-	-	-	15 337	-	-	-	-	-	-	-	-	-	-	-	15 337	-	-
B	KZN216 Ray Nkonyeni	-	-	-	35 876	4 150	16 622	-	-	-	-	-	-	-	-	-	35 876	4 150	16 622
C	DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities		**-**	**-**	**-**	**77 329**	**13 861**	**57 736**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**77 329**	**13 861**	**57 736**
B	KZN221 uMshwathi	-	-	-	-	31 837	2 204	-	-	-	-	-	-	-	-	-	-	31 837	2 204
B	KZN222 uMngeni	-	-	-	2 375	9 200	-	-	-	-	-	-	-	-	-	-	2 375	9 200	-
B	KZN223 Mpofana	-	-	-	12 097	-	-	-	-	-	-	-	-	-	-	-	12 097	-	-
B	KZN224 iMpendle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN225 Msunduzi	-	-	-	11 553	26 977	28 738	100 000	-	-	-	-	-	-	-	-	111 553	26 977	28 738
B	KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	KZN227 Richmond	-	-	-	9 092	29 518	-	-	-	-	-	-	-	-	-	-	9 092	29 518	-
C	DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities		**-**	**-**	**-**	**35 117**	**97 532**	**30 942**	**100 000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**135 117**	**97 532**	**30 942**
B	KZN235 Okhahlamba	-	-	-	1 953	47 091	14 032	-	-	-	-	-	-	-	-	-	1 953	47 091	14 032
B	KZN237 iNkosi Langalibalele	-	-	-	21 906	25 997	7 768	-	-	-	-	-	-	-	-	-	21 906	25 997	7 768
B	KZN238 Alfred Duma	-	-	-	15 000	14 424	9 157	-	-	-	-	-	-	-	-	-	15 000	14 424	9 157
C	DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	103 800	223 651	482 669	103 800	223 651	482 669
Total: uThukela Municipalities		**-**	**-**	**-**	**38 859**	**87 512**	**30 957**	**-**	**-**	**-**	**-**	**-**	**-**	**103 800**	**223 651**	**482 669**	**142 659**	**311 163**	**513 626**
B	KZN241 eNdumeni	-	-	-	-	1 000	1 250	-	-	-	-	-	-	-	-	-	-	1 000	1 250
B	KZN242 Nquthu	-	-	-	-	-	2 099	-	-	-	-	-	-	-	-	-	-	-	2 099
B	KZN244 uMsinga	-	-	-	-	4 200	1 500	-	-	-	-	-	-	-	-	-	-	4 200	1 500
B	KZN245 uMvoti	-	-	-	1 961	10 573	500	-	-	-	-	-	-	-	-	-	1 961	10 573	500
C	DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities		**-**	**-**	**-**	**1 961**	**15 773**	**5 349**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 961**	**15 773**	**5 349**
B	KZN252 Newcastle	-	-	-	2 190	52 576	101 249	-	-	-	-	-	-	-	-	-	2 190	52 576	101 249
B	KZN253 eMadlangeni	-	-	-	-	1 700	2 050	-	-	-	-	-	-	-	-	-	-	1 700	2 050
B	KZN254 Dannhauser	-	-	-	138	4 980	7 568	-	-	-	-	-	-	-	-	-	138	4 980	7 568
C	DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities		**-**	**-**	**-**	**2 328**	**59 256**	**110 867**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 328**	**59 256**	**110 867**
B	KZN261 eDumbe	-	-	-	363	23 190	17 466	-	-	-	-	-	-	-	-	-	363	23 190	17 466
B	KZN262 uPhongolo	-	-	-	-	600	11 416	-	-	-	-	-	-	-	-	-	-	600	11 416
B	KZN263 AbaQulusi	-	-	-	2 807	8 180	50 984	-	-	-	-	-	-	-	-	-	2 807	8 180	50 984
B	KZN265 Nongoma	-	-	-	6 338	400	11 099	-	-	-	-	-	-	-	-	-	6 338	400	11 099
B	KZN266 Ulundi	-	-	-	1 550	4 958	40 982	60 000	-	-	-	-	-	-	-	-	61 550	4 958	40 982
C	DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities		**-**	**-**	**-**	**11 058**	**37 328**	**131 947**	**60 000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**71 058**	**37 328**	**131 947**
B	KZN271 uMhlabuyalingana	-	-	-	37 266	42 725	20 400	-	-	-	-	-	-	-	-	-	37 266	42 725	20 400
B	KZN272 Jozini	-	-	-	12 610	7 797	41 384	-	-	-	-	-	-	-	-	-	12 610	7 797	41 384
B	KZN275 Inkosi uMtubatuba	-	-	-	1 022	23 503	26 575	-	-	-	-	-	-	-	-	-	1 022	23 503	26 575
B	KZN276 Big Five Hlabisa	-	-	-	331	4 605	34 953	-	-	-	-	-	-	-	-	-	331	4 605	34 953
C	DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	346 930	237 981	-	346 930	237 981	-
Total: uMkhanyakude Municipalities		**-**	**-**	**-**	**51 229**	**78 630**	**123 312**	**-**	**-**	**-**	**-**	**-**	**-**	**346 930**	**237 981**	**-**	**398 159**	**316 611**	**123 312**
B	KZN281 uMfolozi	-	-	-	24 687	28 158	28 154	-	-	-	-	-	-	-	-	-	24 687	28 158	28 154
B	KZN282 uMhlathuze	-	-	-	33 828	16 689	26 231	-	-	-	-	-	-	-	-	-	33 828	16 689	26 231
B	KZN284 uMlalazi	-	-	-	23 833	57 699	17 490	-	-	-	-	-	-	-	-	-	23 833	57 699	17 490
B	KZN285 Mthonjaneni	-	-	-	10 363	6 188	2 845	-	-	-	-	-	-	-	-	-	10 363	6 188	2 845
B	KZN286 Nkandla	-	-	-	7 100	600	1 050	-	-	-	-	-	-	-	-	-	7 100	600	1 050
C	DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities		**-**	**-**	**-**	**99 811**	**109 334**	**75 770**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**99 811**	**109 334**	**75 770**
B	KZN291 Mandeni	-	-	-	-	600	15 552	-	-	-	-	-	-	-	-	-	-	600	15 552
B	KZN292 KwaDukuza	-	-	-	-	600	750	-	-	-	-	-	-	-	-	-	-	600	750
B	KZN293 Ndwedwe	-	-	-	-	-	1 000	-	-	-	-	-	-	-	-	-	-	-	1 000
B	KZN294 Maphumulo	-	-	-	1 875	25 898	13 164	-	-	-	-	-	-	-	-	-	1 875	25 898	13 164
C	DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities		**-**	**-**	**-**	**1 875**	**27 098**	**30 466**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 875**	**27 098**	**30 466**
B	KZN433 Greater Kokstad	-	-	-	10 124	-	-	-	-	-	-	-	-	-	-	-	10 124	-	-
B	KZN434 Johannes Phumani Phungula	-	-	-	4 964	6 034	4 319	-	-	-	-	-	-	-	-	-	4 964	6 034	4 319
B	KZN435 uMzimkhulu	-	-	-	2 333	33 794	-	-	-	-	-	-	-	-	-	-	2 333	33 794	-
B	KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	7 259	6 760	13 327	-	-	-	-	-	-	-	-	-	7 259	6 760	13 327
C	DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities		**-**	**-**	**-**	**24 680**	**46 588**	**17 646**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24 680**	**46 588**	**17 646**
Total: KwaZulu-Natal Municipalities		**-**	**-**	**-**	**367 658**	**602 936**	**624 767**	**160 000**	**-**	**-**	**-**	**-**	**-**	**450 730**	**461 632**	**482 669**	**978 388**	**1 064 568**	**1 107 436**

ANNEXURE W6

ALLOCATIONS-IN-KIND TO MUNICIPALITIES
(SCHEDULE 6, PART B)

		Municipal Infrastructure Grant			Integrated National Electrification Programme (Eskom) Grant			Smart Meters Grant			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		
Category	Municipality	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
LIMPOPO																			
B	LIM331 Greater Giyani	-	-	-	6 534	14 920	17 991	-	-	-	-	-	-	-	-	-	6 534	14 920	17 991
B	LIM332 Greater Letaba	-	-	-	3 925	6 802	9 933	-	-	-	-	-	-	-	-	-	3 925	6 802	9 933
B	LIM333 Greater Tzaneen	-	-	-	13 333	33 664	9 326	-	-	-	-	-	-	-	-	-	13 333	33 664	9 326
B	LIM334 Ba-Phalaborwa	-	-	-	1 068	27 136	8 957	-	-	-	-	-	-	-	-	-	1 068	27 136	8 957
B	LIM335 Maruleng	-	-	-	3 782	7 586	14 849	-	-	-	-	-	-	-	-	-	3 782	7 586	14 849
C	DC33 Mopani District Municipality	-	-	-	-	-	-	-	-	-	501 474	531 861	566 099	170 416	182 703	190 906	671 890	714 564	757 005
Total: Mopani Municipalities		**-**	**-**	**-**	**28 642**	**90 108**	**61 056**	**-**	**-**	**-**	**501 474**	**531 861**	**566 099**	**170 416**	**182 703**	**190 906**	**700 532**	**804 672**	**818 061**
B	LIM341 Musina	-	-	-	8 635	4 854	10 131	-	-	-	-	-	-	-	-	-	8 635	4 854	10 131
B	LIM343 Thulamela	-	-	-	9 108	30 975	17 359	-	-	-	-	-	-	-	-	-	9 108	30 975	17 359
B	LIM344 Makhado	-	-	-	3 429	9 844	11 739	-	-	-	-	-	-	-	-	-	3 429	9 844	11 739
B	LIM345 Collins Chabane	-	-	-	19 674	12 092	14 611	-	-	-	-	-	-	-	-	-	19 674	12 092	14 611
C	DC34 Vhembe District Municipality	-	-	-	-	-	-	-	-	-	181 429	265 000	267 285	-	-	-	181 429	265 000	267 285
Total: Vhembe Municipalities		**-**	**-**	**-**	**40 846**	**57 765**	**53 840**	**-**	**-**	**-**	**181 429**	**265 000**	**267 285**	**-**	**-**	**-**	**222 275**	**322 765**	**321 125**
B	LIM351 Blouberg	-	-	-	8 177	6 160	19 549	-	-	-	-	-	-	-	-	-	8 177	6 160	19 549
B	LIM353 Molemole	-	-	-	8 529	10 249	12 338	-	-	-	-	-	-	-	-	-	8 529	10 249	12 338
B	LIM354 Polokwane	-	-	-	3 845	60 386	67 248	-	-	-	-	-	-	-	-	-	3 845	60 386	67 248
B	LIM355 Lepele-Nkumpi	-	-	-	21 442	8 533	11 637	-	-	-	-	-	-	-	-	-	21 442	8 533	11 637
C	DC35 Capricorn District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Capricorn Municipalities		**-**	**-**	**-**	**41 993**	**85 328**	**110 772**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**41 993**	**85 328**	**110 772**
B	LIM361 Thabazimbi	17 549	-	-	1 634	4 137	8 041	35 000	-	-	-	-	-	65 065	68 818	71 908	119 248	72 955	79 949
B	LIM362 Lephalale	-	-	-	1 294	8 988	9 133	-	-	-	-	-	-	77 611	71 991	75 224	78 905	80 979	84 357
B	LIM366 Bela-Bela	-	-	-	1 368	4 674	7 985	-	-	-	-	-	-	-	-	-	1 368	4 674	7 985
B	LIM367 Mogalakwena	-	-	-	13 572	18 300	13 495	-	-	-	-	-	-	-	-	-	13 572	18 300	13 495
B	LIM368 Modimolle-Mookgophong	-	-	-	-	2 490	6 931	-	-	-	-	-	-	68 052	113 454	118 549	68 052	115 944	125 480
C	DC36 Waterberg District Municipality	-	-	-	-	-	-	-	-	-	30 000	-	-	-	-	-	30 000	-	-
Total: Waterberg Municipalities		**17 549**	**-**	**-**	**17 868**	**38 589**	**45 585**	**35 000**	**-**	**-**	**30 000**	**-**	**-**	**210 728**	**254 263**	**265 681**	**311 145**	**292 852**	**311 266**
B	LIM471 Ephraim Mogale	-	-	-	18 238	8 965	10 336	-	-	-	-	-	-	-	-	-	18 238	8 965	10 336
B	LIM472 Elias Motsoaledi	-	-	-	15 749	10 838	14 338	-	-	-	-	-	-	-	-	-	15 749	10 838	14 338
B	LIM473 Makhuduthamaga	-	-	-	15 104	12 980	12 483	-	-	-	-	-	-	-	-	-	15 104	12 980	12 483
B	LIM476 Fetakgomo Tubatse	-	-	-	4 357	33 153	29 316	-	-	-	-	-	-	-	-	-	4 357	33 153	29 316
C	DC47 Sekhukhune District Municipality	163 262	-	-	-	-	-	-	-	-	69 819	-	-	63 220	66 882	69 884	296 301	66 882	69 884
Total: Sekhukhune Municipalities		**163 262**	**-**	**-**	**53 448**	**65 936**	**66 473**	**-**	**-**	**-**	**69 819**	**-**	**-**	**63 220**	**66 882**	**69 884**	**349 749**	**132 818**	**136 357**
Total: Limpopo Municipalities		**180 811**	**-**	**-**	**182 797**	**337 726**	**337 726**	**35 000**	**-**	**-**	**782 722**	**796 861**	**833 384**	**444 364**	**503 848**	**526 471**	**1 625 694**	**1 638 435**	**1 697 581**
MPUMALANGA																			
B	MP301 Chief Albert Luthuli	-	-	-	6 547	9 004	9 039	-	-	-	-	-	-	-	-	-	6 547	9 004	9 039
B	MP302 Msukaligwa	-	-	-	5 176	3 963	3 691	-	-	-	-	-	-	-	-	-	5 176	3 963	3 691
B	MP303 Mkhondo	-	-	-	3 393	14 539	16 558	-	-	-	70 000	30 110	-	35 000	35 769	37 375	108 393	80 418	53 933
B	MP304 Dr Pixley ka Isaka Seme	-	-	-	2 641	3 642	5 519	-	-	-	-	-	-	-	-	-	2 641	3 642	5 519
B	MP305 Lekwa	9 348	-	-	-	845	1 635	45 000	-	-	10 000	64 272	67 157	35 000	34 608	36 162	99 348	99 725	104 954
B	MP306 Dipaleseng	5 901	-	-	425	423	1 165	-	-	-	-	31 200	32 601	17 000	16 500	32 914	23 326	48 123	66 680
B	MP307 Govan Mbeki	-	-	-	262	845	2 098	95 869	-	-	4 598	10 400	10 867	-	-	-	100 729	11 245	12 965
C	DC30 Gert Sibande District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Gert Sibande Municipalities		**15 249**	**-**	**-**	**18 444**	**33 261**	**39 705**	**140 869**	**-**	**-**	**84 598**	**135 982**	**110 625**	**87 000**	**86 877**	**106 451**	**346 160**	**256 120**	**256 781**
B	MP311 Victor Khanye	-	-	-	550	1 585	1 122	-	-	-	-	-	-	25 000	15 000	-	25 550	16 585	1 122
B	MP312 Emalahleni	-	-	-	240	-	904	-	-	-	-	-	-	-	-	-	240	-	904
B	MP313 Steve Tshwete	-	-	-	878	127	1 571	-	-	-	-	-	-	-	-	-	878	127	1 571
B	MP314 Emakhazeni	-	-	-	568	2 658	963	-	-	-	-	-	-	-	-	-	568	2 658	963
B	MP315 Thembisile Hani	-	-	-	36 047	33 726	34 241	-	-	-	220 000	138 000	198 452	-	-	-	256 047	171 726	232 693
B	MP316 Dr JS Moroka	-	-	-	6 231	107 074	7 306	-	-	-	-	10 400	10 867	-	-	-	6 231	117 474	18 173
C	DC31 Nkangala District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Nkangala Municipalities		**-**	**-**	**-**	**44 514**	**145 170**	**46 107**	**-**	**-**	**-**	**220 000**	**148 400**	**209 319**	**25 000**	**15 000**	**-**	**289 514**	**308 570**	**255 426**
B	MP321 Thaba Chweu	-	-	-	6 353	2 648	1 165	-	-	-	-	-	-	-	-	-	6 353	2 648	1 165
B	MP324 Nkomazi	-	-	-	13 794	11 549	28 775	-	-	-	81 040	100 000	50 000	-	-	-	94 834	111 549	78 775
B	MP325 Bushbuckridge	-	-	-	18 678	44 790	30 362	-	-	-	-	-	-	-	-	-	18 678	44 790	30 362
B	MP326 City of Mbombela	-	-	-	34 018	93 745	184 099	95 000	-	-	-	-	-	20 526	21 000	21 943	149 544	114 745	206 042
C	DC32 Ehlanzeni District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Ehlanzeni Municipalities		**-**	**-**	**-**	**72 843**	**152 732**	**244 401**	**95 000**	**-**	**-**	**81 040**	**100 000**	**50 000**	**20 526**	**21 000**	**21 943**	**269 409**	**273 732**	**316 344**
Total: Mpumalanga Municipalities		**15 249**	**-**	**-**	**135 801**	**331 163**	**330 213**	**235 869**	**-**	**-**	**385 638**	**384 382**	**369 944**	**132 526**	**122 877**	**128 394**	**905 083**	**838 422**	**828 551**

ANNEXURE W6

ALLOCATIONS-IN-KIND TO MUNICIPALITIES
(SCHEDULE 6, PART B)

Category	Municipality	Municipal Infrastructure Grant			Integrated National Electrification Programme (Eskom) Grant			Smart Meters Grant			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		
		2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
NORTHERN CAPE																			
B	NC061 Richtersveld	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC062 Nama Khoi	10 222	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10 222	-	-
B	NC064 Kamiesberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC065 Hantam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC066 Karoo Hoogland	-	-	-	-	1 856	-	-	-	-	-	-	-	-	-	-	-	1 856	-
B	NC067 Khâi-Ma	-	-	-	300	5 490	10 455	-	-	-	-	-	-	-	-	-	300	5 490	10 455
C	DC6 Namakwa District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Namakwa Municipalities		**10 222**	**-**	**-**	**300**	**7 346**	**10 455**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10 522**	**7 346**	**10 455**
B	NC071 Ubuntu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC072 Umsobomvu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC073 Emthanjeni	6 168	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 168	-	-
B	NC074 Kareeberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC075 Renosterberg	-	-	-	-	181	6 038	-	-	-	-	-	-	-	-	-	-	181	6 038
B	NC076 Thembelihle	-	-	-	-	-	-	21 000	-	-	-	-	-	-	-	-	21 000	-	-
B	NC077 Siyathemba	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC078 Siyancuma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC7 Pixley Ka Seme District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Pixley Ka Seme Municipalities		**6 168**	**-**	**-**	**-**	**181**	**6 038**	**21 000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27 168**	**181**	**6 038**
B	NC082 !Kai !Garib	12 611	-	-	-	175	1 811	-	-	-	-	-	-	-	-	-	12 611	175	1 811
B	NC084 !Kheis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC085 Tsantsabane	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC086 Kgatelopele	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	NC087 Dawid Kruiper	-	-	-	121	23 717	-	45 000	-	-	90 000	69 300	73 592	-	-	-	135 121	93 017	73 592
C	DC8 Z.F. Mgcawu District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Z.F. Mgcawu Municipalities		**12 611**	**-**	**-**	**121**	**23 892**	**1 811**	**45 000**	**-**	**-**	**90 000**	**69 300**	**73 592**	**-**	**-**	**-**	**147 732**	**93 192**	**75 403**
B	NC091 Sol Plaatjie	-	-	-	16 491	7 646	-	-	-	-	-	-	-	-	-	-	16 491	7 646	-
B	NC092 Dikgatlong	-	-	-	-	-	3 290	-	-	-	-	-	-	14 500	4 050	-	14 500	4 050	3 290
B	NC093 Magareng	-	-	-	5 253	7 776	-	-	-	-	15 000	-	-	-	-	-	20 253	7 776	-
B	NC094 Phokwane	13 703	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13 703	-	-
C	DC9 Frances Baard District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Frances Baard Municipalities		**13 703**	**-**	**-**	**21 744**	**15 422**	**3 290**	**-**	**-**	**-**	**15 000**	**-**	**-**	**14 500**	**4 050**	**-**	**64 947**	**19 472**	**3 290**
B	NC451 Joe Morolong	-	-	-	-	10 317	42 927	-	-	-	-	-	-	-	-	-	-	10 317	42 927
B	NC452 Ga-Segonyana	-	-	-	19 399	9 649	13 766	-	-	-	-	-	-	-	-	-	19 399	9 649	13 766
B	NC453 Gamagara	-	-	-	-	142	-	-	-	-	-	10 700	10 000	-	-	-	-	10 842	10 000
C	DC45 John Taolo Gaetsewe District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: John Taolo Gaetsewe Municipalities		**-**	**-**	**-**	**19 399**	**20 108**	**56 693**	**-**	**-**	**-**	**-**	**10 700**	**10 000**	**-**	**-**	**-**	**19 399**	**30 808**	**66 693**
Total: Northern Cape Municipalities		**42 704**	**-**	**-**	**41 564**	**66 949**	**78 287**	**66 000**	**-**	**-**	**105 000**	**80 000**	**83 592**	**14 500**	**4 050**	**-**	**269 768**	**150 999**	**161 879**
NORTH WEST																			
B	NW371 Moretele	-	-	-	5 217	10 022	21 743	-	-	-	-	75 152	78 526	-	-	-	5 217	85 174	100 269
B	NW372 Madibeng	-	-	-	32 318	82 770	80 767	-	-	-	58 112	29 236	30 549	17 000	17 850	22 942	107 430	129 856	134 258
B	NW373 Rustenburg	-	-	-	38 131	-	4 368	-	-	-	-	-	-	-	-	-	38 131	-	4 368
B	NW374 Kgetlengrivier	-	-	-	450	3 140	2 418	-	-	-	-	-	-	20 000	21 000	31 943	20 450	24 140	34 361
B	NW375 Moses Kotane	-	-	-	12 895	137 783	62 529	-	-	-	-	-	-	-	-	-	12 895	137 783	62 529
C	DC37 Bojanala Platinum District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Bojanala Platinum Municipalities		**-**	**-**	**-**	**89 011**	**233 715**	**171 825**	**-**	**-**	**-**	**58 112**	**104 388**	**109 075**	**37 000**	**38 850**	**54 885**	**184 123**	**376 953**	**335 785**
B	NW381 Ratlou	-	-	-	3 679	-	2 053	-	-	-	-	-	-	-	-	-	3 679	-	2 053
B	NW382 Tswaing	-	-	-	10 760	1 268	4 060	-	-	-	-	-	-	-	-	-	10 760	1 268	4 060
B	NW383 Mafikeng	-	-	-	32 440	27 091	17 486	-	-	-	-	-	-	-	-	-	32 440	27 091	17 486
B	NW384 Ditsobotla	-	-	-	16 621	19 605	37 977	-	-	-	-	-	-	-	-	-	16 621	19 605	37 977
B	NW385 Ramotshere Moiloa	-	-	-	20 954	2 222	5 757	-	-	-	-	-	-	-	-	-	20 954	2 222	5 757
C	DC38 Ngaka Modiri Molema District Municipality	-	-	-	-	-	-	-	-	-	140 000	64 480	67 375	142 378	148 072	154 719	282 378	212 552	222 094
Total: Ngaka Modiri Molema Municipalities		**-**	**-**	**-**	**84 454**	**50 186**	**67 333**	**-**	**-**	**-**	**140 000**	**64 480**	**67 375**	**142 378**	**148 072**	**154 719**	**366 832**	**262 738**	**289 427**
B	NW392 Naledi	-	-	-	558	413	5 977	-	-	-	-	-	-	-	-	-	558	413	5 977
B	NW393 Mamusa	-	-	-	470	-	2 315	-	-	-	-	-	-	-	-	-	470	-	2 315
B	NW394 Greater Taung	-	-	-	8 316	11 770	16 814	-	-	-	-	-	-	-	-	-	8 316	11 770	16 814
B	NW396 Lekwa-Teemane	-	-	-	455	-	-	-	-	-	-	-	-	-	-	-	455	-	-
B	NW397 Kagisano-Molopo	-	-	-	8 794	8 848	29 208	-	-	-	-	-	-	-	-	-	8 794	8 848	29 208
C	DC39 Dr Ruth Segomotsi Mompati District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Dr Ruth Segomotsi Mompati Municipalities		**-**	**-**	**-**	**18 593**	**21 031**	**54 314**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18 593**	**21 031**	**54 314**
B	NW403 City of Matlosana	-	-	-	1 537	-	4 386	-	-	-	-	-	-	-	-	-	1 537	-	4 386
B	NW404 Maquassi Hills	-	-	-	360	-	2 418	-	-	-	-	-	-	-	-	-	360	-	2 418
B	NW405 JB Marks	-	-	-	462	-	2 418	-	-	-	-	74 880	78 242	-	-	-	462	74 880	80 660
C	DC40 Dr Kenneth Kaunda District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Dr Kenneth Kaunda Municipalities		**-**	**-**	**-**	**2 359**	**-**	**9 222**	**-**	**-**	**-**	**-**	**74 880**	**78 242**	**-**	**-**	**-**	**2 359**	**74 880**	**87 464**
Total: North West Municipalities		**-**	**-**	**-**	**194 417**	**304 932**	**302 694**	**-**	**-**	**-**	**198 112**	**243 748**	**254 692**	**179 378**	**186 922**	**209 604**	**571 907**	**735 602**	**766 990**

ANNEXURE W6

ALLOCATIONS-IN-KIND TO MUNICIPALITIES
(SCHEDULE 6, PART B)

Category		Municipality	Municipal Infrastructure Grant			Integrated National Electrification Programme (Eskom) Grant			Smart Meters Grant			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		
			2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
WESTERN CAPE																				
A	CPT	City of Cape Town	-	-	-	58 906	81 785	75 776	-	-	-	-	-	-	-	-	-	58 906	81 785	75 776
B	WC011	Matzikama	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC012	Cederberg	-	-	-	8 689	659	6 612	14 000	-	-	-	16 843	17 599	-	-	-	22 689	17 502	24 211
B	WC013	Bergrivier	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC014	Saldanha Bay	-	-	-	8 033	966	-	-	-	-	-	-	-	-	-	-	8 033	966	-
B	WC015	Swartland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC1	West Coast District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: West Coast Municipalities			**-**	**-**	**-**	**16 722**	**1 625**	**6 612**	**14 000**	**-**	**-**	**-**	**16 843**	**17 599**	**-**	**-**	**-**	**30 722**	**18 468**	**24 211**
B	WC022	Witzenberg	-	-	-	284	1 854	12 238	-	-	-	-	-	-	-	-	-	284	1 854	12 238
B	WC023	Drakenstein	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC024	Stellenbosch	-	-	-	848	262	-	-	-	-	-	-	-	-	-	-	848	262	-
B	WC025	Breede Valley	-	-	-	13 186	-	-	-	-	-	-	-	-	-	-	-	13 186	-	-
B	WC026	Langeberg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC2	Cape Winelands District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Cape Winelands Municipalities			**-**	**-**	**-**	**14 318**	**2 116**	**12 238**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14 318**	**2 116**	**12 238**
B	WC031	Theewaterskloof	-	-	-	18 371	10 415	162	-	-	-	-	-	-	-	-	-	18 371	10 415	162
B	WC032	Overstrand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC033	Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC034	Swellendam	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC3	Overberg District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Overberg Municipalities			**-**	**-**	**-**	**18 371**	**10 415**	**162**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18 371**	**10 415**	**162**
B	WC041	Kannaland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC042	Hessequa	-	-	-	374	-	-	-	-	-	-	-	-	-	-	-	374	-	-
B	WC043	Mossel Bay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC044	George	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC045	Oudtshoorn	-	-	-	217	65	-	-	-	-	-	-	-	-	-	-	217	65	-
B	WC047	Bitou	-	-	-	1 498	8 402	9 620	-	-	-	-	-	-	-	-	-	1 498	8 402	9 620
B	WC048	Knysna	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC4	Garden Route District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Garden Route Municipalities			**-**	**-**	**-**	**2 089**	**8 467**	**9 620**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 089**	**8 467**	**9 620**
B	WC051	Laingsburg	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC052	Prince Albert	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WC053	Beaufort West	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC5	Central Karoo District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Central Karoo Municipalities			**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total: Western Cape Municipalities			**-**	**-**	**-**	**110 406**	**104 408**	**104 408**	**14 000**	**-**	**-**	**-**	**16 843**	**17 599**	**-**	**-**	**-**	**124 406**	**121 251**	**122 007**
Unallocated			-	-	-	-	-	-	-	827 630	853 352	-	-	-	-	-	-	-	827 630	853 352
National Total			**535 566**	**-**	**-**	**1 592 711**	**2 472 493**	**2 549 336**	**795 869**	**827 630**	**853 352**	**3 214 822**	**3 343 116**	**3 447 017**	**1 334 331**	**1 387 579**	**1 430 704**	**7 473 299**	**8 030 818**	**8 280 409**

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 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
EASTERN CAPE								
A	BUF	Buffalo City	1 363 341	1 432 070	1 462 480	2 511 217	2 668 064	2 912 764
A	NMA	Nelson Mandela Bay	1 740 504	1 841 721	1 867 588	3 301 626	3 436 111	3 651 609
B	EC101	Dr Beyers Naude	130 306	134 705	139 662	202 823	223 254	226 189
B	EC102	Blue Crane Route	74 969	76 953	80 313	130 406	121 895	129 348
B	EC104	Makana	139 159	143 934	149 155	305 034	347 334	319 964
B	EC105	Ndlambe	146 218	151 062	156 720	265 250	229 673	240 850
B	EC106	Sundays River Valley	126 877	131 509	136 005	216 369	213 787	218 256
B	EC108	Kouga	212 694	222 318	228 081	274 574	290 412	302 644
B	EC109	Kou-Kamma	74 323	76 965	79 656	151 108	130 199	131 942
C	DC10	Sarah Baartman District Municipality	114 938	117 389	123 067	120 176	121 530	127 396
Total: Sarah Baartman Municipalities			**1 019 484**	**1 054 835**	**1 092 659**	**1 665 740**	**1 678 084**	**1 696 589**
B	EC121	Mbhashe	317 595	314 403	337 969	435 330	466 168	466 859
B	EC122	Mnquma	330 798	327 421	352 019	432 648	449 143	469 027
B	EC123	Great Kei	54 214	53 838	57 721	75 842	88 896	95 194
B	EC124	Amahlathi	134 325	132 977	142 970	239 357	197 922	209 588
B	EC126	Ngqushwa	104 969	103 962	111 735	143 612	163 149	161 780
B	EC129	Raymond Mhlaba	219 561	217 164	233 674	353 420	306 584	351 974
C	DC12	Amathole District Municipality	1 271 415	1 339 255	1 370 912	1 998 595	2 170 154	2 159 532
Total: Amathole Municipalities			**2 432 877**	**2 489 020**	**2 607 000**	**3 678 804**	**3 842 016**	**3 913 954**
B	EC131	Inxuba Yethemba	59 478	60 395	63 217	95 796	94 953	95 726
B	EC135	Intsika Yethu	202 328	200 328	215 325	281 946	308 104	313 039
B	EC136	Emalahleni	157 016	155 384	167 119	210 941	236 482	238 295
B	EC137	Dr. A.B. Xuma	188 551	186 714	200 667	257 816	265 951	283 837
B	EC138	Sakhisizwe	86 575	85 827	92 156	141 838	136 409	145 032
B	EC139	Enoch Mgijima	242 955	243 232	258 293	375 221	344 655	373 312
C	DC13	Chris Hani District Municipality	822 193	866 120	888 028	1 253 601	1 615 953	1 666 921
Total: Chris Hani Municipalities			**1 759 096**	**1 798 000**	**1 884 805**	**2 617 159**	**3 002 507**	**3 116 162**
B	EC141	Elundini	196 347	195 004	208 918	275 702	309 625	321 352
B	EC142	Senqu	192 058	190 570	204 367	252 628	258 330	279 959
B	EC145	Walter Sisulu	83 456	84 724	88 696	130 030	124 798	125 932
C	DC14	Joe Gqabi District Municipality	419 740	441 606	453 308	752 902	920 229	980 848
Total: Joe Gqabi Municipalities			**891 601**	**911 904**	**955 289**	**1 411 262**	**1 612 982**	**1 708 091**
B	EC153	Ngquza Hill	336 935	333 692	358 535	439 153	447 469	474 790
B	EC154	Port St Johns	198 786	197 104	211 537	253 298	280 917	298 509
B	EC155	Nyandeni	339 681	336 660	361 441	504 444	513 256	492 306
B	EC156	Mhlontlo	233 431	230 814	248 440	330 570	319 483	341 738
B	EC157	King Sabata Dalindyebo	461 270	462 420	490 350	647 347	654 925	665 382
C	DC15	O.R. Tambo District Municipality	1 337 290	1 410 805	1 445 092	2 319 382	2 373 724	2 441 412
Total: O.R. Tambo Municipalities			**2 907 393**	**2 971 495**	**3 115 395**	**4 494 194**	**4 589 774**	**4 714 137**
B	EC441	Matatiele	312 797	310 405	332 811	435 946	419 735	450 987
B	EC442	Umzimvubu	281 659	278 914	299 728	377 212	393 286	416 535
B	EC443	Winnie Madikizela-Mandela	350 052	346 992	372 471	459 256	474 518	498 334
B	EC444	Ntabankulu	159 907	158 033	170 214	214 790	220 296	236 969
C	DC44	Alfred Nzo District Municipality	872 031	919 468	942 293	1 534 158	1 653 601	1 805 596
Total: Alfred Nzo Municipalities			**1 976 446**	**2 013 812**	**2 117 517**	**3 021 362**	**3 161 436**	**3 408 421**
Total: Eastern Cape Municipalities			**14 090 742**	**14 512 857**	**15 102 733**	**22 701 364**	**23 990 974**	**25 121 727**

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

Category		Municipality	EQUITABLE SHARE[1] National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
FREE STATE								
A	MAN	Mangaung	1 272 720	1 346 734	1 365 649	2 438 914	2 603 093	2 789 777
B	FS161	Letsemeng	96 491	99 682	103 411	148 165	153 422	159 006
B	FS162	Kopanong	125 588	129 705	134 600	185 761	193 020	203 654
B	FS163	Mohokare	104 848	107 724	112 342	180 189	169 839	172 086
B	FS164	New Municipality	-	-	-	-	-	-
C	DC16	Xhariep District Municipality	53 059	53 658	56 754	59 024	58 484	61 765
Total: Xhariep Municipalities			**379 986**	**390 769**	**407 107**	**573 139**	**574 765**	**596 511**
B	FS181	Masilonyana	176 843	181 475	189 501	259 833	300 837	313 681
B	FS182	Tokologo	83 224	85 249	89 152	254 584	240 726	253 159
B	FS183	Tswelopele	107 845	110 487	115 539	161 984	162 923	169 733
B	FS184	Matjhabeng	813 898	852 537	873 022	1 379 125	1 338 266	1 370 510
B	FS185	Nala	172 716	177 632	185 092	239 757	249 938	259 890
C	DC18	Lejweleputswa District Municipality	158 406	161 807	169 600	162 389	171 101	178 184
Total: Lejweleputswa Municipalities			**1 512 932**	**1 569 187**	**1 621 906**	**2 457 672**	**2 463 791**	**2 545 157**
B	FS191	Setsoto	284 175	292 909	304 590	648 025	539 046	517 765
B	FS192	Dihlabeng	269 775	281 275	289 320	615 015	469 552	522 035
B	FS193	Nketoana	147 809	152 428	158 415	304 894	384 310	402 628
B	FS194	Maluti-a-Phofung	895 917	919 678	960 344	1 407 429	1 414 696	1 471 314
B	FS195	Phumelela	111 975	115 146	119 986	171 795	173 775	176 567
B	FS196	Mantsopa	124 190	127 927	133 089	187 493	172 998	179 578
C	DC19	Thabo Mofutsanyana District Municipality	141 686	143 366	151 571	153 999	155 017	162 417
Total: Thabo Mofutsanyana Municipalities			**1 975 527**	**2 032 729**	**2 117 315**	**3 488 650**	**3 309 394**	**3 432 304**
B	FS201	Moqhaka	323 918	336 430	347 341	439 988	415 973	438 558
B	FS203	Ngwathe	296 619	306 101	317 991	479 589	579 825	575 363
B	FS204	Metsimaholo	329 025	345 005	352 936	426 626	441 502	452 786
B	FS205	Mafube	144 344	148 587	154 688	274 683	251 678	259 962
C	DC20	Fezile Dabi District Municipality	189 592	196 383	203 217	220 114	200 958	208 078
Total: Fezile Dabi Municipalities			**1 283 498**	**1 332 506**	**1 376 173**	**1 841 000**	**1 889 936**	**1 934 747**
Total: Free State Municipalities			**6 424 663**	**6 671 925**	**6 888 150**	**10 799 375**	**10 840 979**	**11 298 496**
GAUTENG								
A	EKU	City of Ekurhuleni	6 323 571	6 691 310	6 785 292	9 318 937	9 900 220	10 317 982
A	JHB	City of Johannesburg	8 650 870	9 153 951	9 282 521	13 903 758	13 668 989	13 998 622
A	TSH	City of Tshwane	4 898 214	5 183 063	5 255 861	7 589 544	8 003 671	8 415 972
B	GT421	Emfuleni	1 292 642	1 362 989	1 386 858	2 144 323	2 239 654	2 320 414
B	GT422	Midvaal	196 126	207 358	210 400	347 190	338 888	348 093
B	GT423	Lesedi	240 707	251 978	258 146	395 273	350 451	342 043
C	DC42	Sedibeng District Municipality	330 371	341 897	354 076	341 781	346 887	363 362
Total: Sedibeng Municipalities			**2 059 846**	**2 164 222**	**2 209 480**	**3 228 567**	**3 275 880**	**3 373 912**
B	GT481	Mogale City	740 129	783 170	794 170	989 518	1 049 717	1 056 310
B	GT484	Merafong City	344 823	363 318	369 945	468 142	504 106	526 989
B	GT485	Rand West City	525 600	553 468	563 883	868 235	963 568	916 439
C	DC48	West Rand District Municipality	257 403	265 005	275 720	301 711	308 087	280 912
Total: West Rand Municipalities			**1 867 955**	**1 964 961**	**2 003 718**	**2 627 606**	**2 825 478**	**2 780 650**
Total: Gauteng Municipalities			**23 800 456**	**25 157 507**	**25 536 872**	**36 668 411**	**37 674 238**	**38 887 137**

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

Category		Municipality	EQUITABLE SHARE[1] National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
KWAZULU-NATAL								
A	ETH	eThekwini	5 516 093	5 836 875	5 918 856	8 753 731	9 262 477	9 680 546
B	KZN212	uMdoni	179 468	178 434	190 950	244 194	239 404	284 987
B	KZN213	uMzumbe	165 070	162 991	175 717	215 121	221 056	235 702
B	KZN214	uMuziwabantu	120 515	119 626	128 253	168 581	159 270	169 157
B	KZN216	Ray Nkonyeni	308 900	311 912	328 230	468 024	414 831	445 667
C	DC21	Ugu District Municipality	744 602	784 454	804 162	1 173 492	1 270 981	1 246 861
Total: Ugu Municipalities			**1 518 555**	**1 557 417**	**1 627 312**	**2 269 412**	**2 305 542**	**2 382 374**
B	KZN221	uMshwathi	139 335	139 384	148 199	183 653	217 017	197 667
B	KZN222	uMngeni	113 175	116 505	120 157	188 071	174 353	170 481
B	KZN223	Mpofana	49 481	49 786	52 630	80 014	67 927	71 108
B	KZN224	iMpendle	49 492	49 226	52 695	76 370	66 506	70 397
B	KZN225	Msunduzi	925 767	974 653	993 191	1 436 265	1 432 469	1 422 098
B	KZN226	Mkhambathini	86 737	86 515	92 288	129 714	118 257	127 916
B	KZN227	Richmond	97 091	96 915	103 294	134 123	159 393	137 292
C	DC22	uMgungundlovu District Municipality	826 344	866 473	890 035	1 065 344	1 124 869	1 149 695
Total: uMgungundlovu Municipalities			**2 287 422**	**2 379 457**	**2 452 489**	**3 293 554**	**3 360 791**	**3 346 654**
B	KZN235	Okhahlamba	162 727	161 337	173 172	210 942	260 359	240 873
B	KZN237	iNkosi Langalibalele	240 742	239 184	256 140	340 345	334 825	335 592
B	KZN238	Alfred Duma	326 208	327 123	346 766	467 984	442 090	463 052
C	DC23	uThukela District Municipality	686 038	723 013	741 003	1 019 297	1 199 865	1 485 241
Total: uThukela Municipalities			**1 415 715**	**1 450 657**	**1 517 081**	**2 038 568**	**2 237 139**	**2 524 758**
B	KZN241	eNdumeni	73 722	75 094	78 326	105 985	103 211	107 520
B	KZN242	Nquthu	182 897	180 872	194 663	242 798	241 110	259 066
B	KZN244	uMsinga	226 596	224 818	241 114	284 915	299 168	315 176
B	KZN245	uMvoti	185 191	185 178	196 960	232 078	246 250	252 581
C	DC24	uMzinyathi District Municipality	580 091	611 258	626 652	917 908	990 300	987 646
Total: uMzinyathi Municipalities			**1 248 497**	**1 277 220**	**1 337 715**	**1 783 684**	**1 880 039**	**1 921 989**
B	KZN252	Newcastle	582 810	604 108	624 924	843 427	918 969	997 105
B	KZN253	eMadlangeni	39 220	39 014	41 759	56 458	55 007	58 311
B	KZN254	Dannhauser	116 776	115 446	124 309	147 201	158 563	170 051
C	DC25	Amajuba District Municipality	240 133	249 768	258 234	407 706	420 692	438 750
Total: Amajuba Municipalities			**978 939**	**1 008 336**	**1 049 226**	**1 454 792**	**1 553 231**	**1 664 217**
B	KZN261	eDumbe	101 507	100 634	108 041	145 475	160 988	163 769
B	KZN262	uPhongolo	188 714	187 697	200 777	234 891	235 911	261 208
B	KZN263	AbaQulusi	215 845	216 311	229 468	290 602	289 818	348 701
B	KZN265	Nongoma	203 083	200 226	216 185	256 247	251 469	279 752
B	KZN266	Ulundi	208 936	205 725	222 431	320 164	261 197	315 554
C	DC26	Zululand District Municipality	749 176	789 763	809 375	1 516 539	1 560 842	1 639 046
Total: Zululand Municipalities			**1 667 261**	**1 700 356**	**1 786 277**	**2 763 918**	**2 760 225**	**3 008 030**
B	KZN271	uMhlabuyalingana	236 972	235 258	252 138	332 006	338 392	334 954
B	KZN272	Jozini	252 286	249 894	268 468	316 749	311 888	365 603
B	KZN275	Inkosi uMtubatuba	238 060	235 702	253 339	282 274	304 653	326 746
B	KZN276	Big Five Hlabisa	150 676	149 219	160 364	188 417	192 954	235 589
C	DC27	uMkhanyakude District Municipality	692 822	730 222	748 558	1 321 298	1 286 051	1 196 583
Total: uMkhanyakude Municipalities			**1 570 816**	**1 600 295**	**1 682 867**	**2 440 744**	**2 433 938**	**2 459 475**
B	KZN281	uMfolozi	180 242	178 189	191 843	254 662	253 239	268 438
B	KZN282	uMhlathuze	610 321	636 553	654 560	904 442	880 574	933 950
B	KZN284	uMlalazi	246 839	244 484	262 681	330 390	365 185	345 218
B	KZN285	Mthonjaneni	99 291	97 921	105 723	152 880	137 112	142 491
B	KZN286	Nkandla	121 850	120 305	129 719	177 226	167 562	174 813
C	DC28	King Cetshwayo District Municipality	797 598	837 764	859 228	1 297 237	1 471 601	1 534 203
Total: King Cetshwayo Municipalities			**2 056 141**	**2 115 216**	**2 203 754**	**3 116 837**	**3 275 273**	**3 399 113**
B	KZN291	Mandeni	240 637	239 920	255 964	287 902	300 471	333 455
B	KZN292	KwaDukuza	297 020	305 644	315 241	377 927	389 787	402 318
B	KZN293	Ndwedwe	198 488	196 613	211 234	243 657	248 251	265 431
B	KZN294	Maphumulo	116 782	115 735	124 297	155 814	183 194	180 394
C	DC29	iLembe District Municipality	883 493	932 330	954 417	1 243 329	1 321 781	1 347 696
Total: iLembe Municipalities			**1 736 420**	**1 790 242**	**1 861 153**	**2 308 629**	**2 443 484**	**2 529 294**
B	KZN433	Greater Kokstad	88 189	89 301	93 735	143 345	120 517	125 938
B	KZN434	Johannes Phumani Phungula	142 800	141 544	151 974	185 180	193 350	203 548
B	KZN435	uMzimkhulu	253 469	251 633	269 690	327 615	352 474	338 915
B	KZN436	Dr Nkosazana Dlamini Zuma	166 587	165 256	177 275	212 879	216 029	236 014
C	DC43	Harry Gwala District Municipality	548 684	577 955	592 713	912 956	1 003 268	1 012 662
Total: Harry Gwala Municipalities			**1 199 729**	**1 225 689**	**1 285 387**	**1 781 975**	**1 885 638**	**1 917 077**
Total: KwaZulu-Natal Municipalities			**21 195 588**	**21 941 760**	**22 722 117**	**32 005 844**	**33 397 777**	**34 833 527**

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

Category		Municipality	EQUITABLE SHARE[1] National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
LIMPOPO								
B	LIM331	Greater Giyani	387 823	384 972	412 613	496 577	510 761	541 144
B	LIM332	Greater Letaba	377 862	375 393	401 997	472 051	473 821	510 606
B	LIM333	Greater Tzaneen	549 512	549 696	584 233	717 114	731 266	746 274
B	LIM334	Ba-Phalaborwa	214 272	213 767	227 918	261 308	299 943	293 592
B	LIM335	Maruleng	170 372	169 306	181 277	233 134	215 193	235 574
C	DC33	Mopani District Municipality	1 508 655	1 593 121	1 630 297	2 743 326	2 929 337	3 029 599
Total: Mopani Municipalities			**3 208 496**	**3 286 255**	**3 438 335**	**4 923 510**	**5 160 321**	**5 356 789**
B	LIM341	Musina	232 308	234 015	246 938	290 520	291 014	310 809
B	LIM343	Thulamela	616 264	614 891	655 415	785 788	810 089	837 815
B	LIM344	Makhado	507 068	506 862	539 128	637 172	654 968	693 760
B	LIM345	Collins Chabane	504 619	502 148	536 776	655 227	645 712	687 105
C	DC34	Vhembe District Municipality	1 657 833	1 751 354	1 792 116	2 586 925	2 815 631	2 885 622
Total: Vhembe Municipalities			**3 518 092**	**3 609 270**	**3 770 373**	**4 955 632**	**5 217 414**	**5 415 111**
B	LIM351	Blouberg	240 123	238 140	255 508	323 460	324 757	358 259
B	LIM353	Molemole	183 043	181 583	194 779	250 371	249 540	266 703
B	LIM354	Polokwane	1 541 239	1 606 170	1 652 917	2 990 582	3 278 524	3 035 995
B	LIM355	Lepele-Nkumpi	326 389	322 989	347 330	423 349	416 032	446 264
C	DC35	Capricorn District Municipality	896 736	939 981	966 276	1 293 215	1 405 295	1 448 899
Total: Capricorn Municipalities			**3 187 530**	**3 288 863**	**3 416 810**	**5 280 977**	**5 674 148**	**5 556 120**
B	LIM361	Thabazimbi	164 793	173 888	176 778	337 108	310 898	322 862
B	LIM362	Lephalale	264 473	275 574	283 624	408 044	433 387	443 160
B	LIM366	Bela-Bela	149 236	154 800	159 983	275 460	301 280	317 461
B	LIM367	Mogalakwena	637 638	653 125	683 438	968 150	981 828	1 020 391
B	LIM368	Modimolle-Mookgophong	167 982	174 579	180 126	292 539	356 701	373 986
C	DC36	Waterberg District Municipality	160 896	164 591	172 228	194 697	168 696	176 617
Total: Waterberg Municipalities			**1 545 018**	**1 596 557**	**1 656 177**	**2 475 998**	**2 552 790**	**2 654 477**
B	LIM471	Ephraim Mogale	197 603	196 293	210 249	276 692	253 821	270 513
B	LIM472	Elias Motsoaledi	367 541	364 204	391 081	475 941	463 341	492 350
B	LIM473	Makhuduthamaga	353 718	350 643	376 368	452 366	467 241	495 987
B	LIM476	Fetakgomo Tubatse	602 957	598 348	641 359	720 148	780 773	825 139
C	DC47	Sekhukhune District Municipality	1 277 711	1 348 559	1 380 713	2 000 401	2 064 931	2 121 781
Total: Sekhukhune Municipalities			**2 799 530**	**2 858 047**	**2 999 770**	**3 925 548**	**4 030 107**	**4 205 770**
Total: Limpopo Municipalities			**14 258 666**	**14 638 992**	**15 281 465**	**21 561 665**	**22 634 780**	**23 188 267**
MPUMALANGA								
B	MP301	Chief Albert Luthuli	462 146	472 704	495 241	921 514	936 238	949 486
B	MP302	Msukaligwa	299 205	313 048	320 922	742 555	605 357	670 586
B	MP303	Mkhondo	375 180	386 528	402 141	623 656	597 702	587 020
B	MP304	Dr Pixley ka Isaka Seme	176 260	180 997	188 881	270 145	272 595	285 729
B	MP305	Lekwa	198 477	207 650	212 880	338 795	363 085	375 136
B	MP306	Dipaleseng	112 377	115 624	120 421	156 709	201 152	225 616
B	MP307	Govan Mbeki	523 359	553 795	561 573	762 056	690 089	706 907
C	DC30	Gert Sibande District Municipality	358 221	371 605	384 005	391 241	390 041	402 732
Total: Gert Sibande Municipalities			**2 505 225**	**2 601 951**	**2 686 064**	**4 206 671**	**4 056 259**	**4 203 212**
B	MP311	Victor Khanye	163 014	169 477	174 773	224 734	231 173	222 502
B	MP312	Emalahleni	685 541	725 408	735 597	941 033	971 541	995 495
B	MP313	Steve Tshwete	400 090	423 356	429 303	495 348	573 428	586 625
B	MP314	Emakhazeni	99 877	103 369	107 050	187 400	190 369	194 895
B	MP315	Thembisile Hani	621 226	637 043	665 873	1 137 757	1 058 998	1 157 775
B	MP316	Dr JS Moroka	535 672	545 103	573 940	735 699	836 591	771 827
C	DC31	Nkangala District Municipality	438 130	453 990	469 607	448 499	463 155	479 058
Total: Nkangala Municipalities			**2 943 550**	**3 057 746**	**3 156 143**	**4 170 470**	**4 325 255**	**4 408 177**
B	MP321	Thaba Chweu	243 768	254 346	261 396	391 059	425 877	438 000
B	MP324	Nkomazi	882 182	905 900	945 629	1 301 939	1 407 391	1 428 209
B	MP325	Bushbuckridge	1 171 265	1 199 901	1 255 413	1 711 849	1 862 755	1 921 440
B	MP326	City of Mbombela	1 233 444	1 287 910	1 322 907	1 863 894	1 928 777	2 040 539
C	DC32	Ehlanzeni District Municipality	314 251	321 018	336 387	323 252	329 400	345 562
Total: Ehlanzeni Municipalities			**3 844 910**	**3 969 075**	**4 121 732**	**5 591 993**	**5 954 200**	**6 173 750**
Total: Mpumalanga Municipalities			**9 293 685**	**9 628 772**	**9 963 939**	**13 969 134**	**14 335 714**	**14 785 139**

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

Category		Municipality	EQUITABLE SHARE[1] National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
NORTHERN CAPE								
B	NC061	Richtersveld	28 090	28 849	30 079	39 973	60 188	62 443
B	NC062	Nama Khoi	73 887	77 000	79 208	127 988	130 227	130 130
B	NC064	Kamiesberg	34 537	34 944	36 955	45 758	47 668	49 851
B	NC065	Hantam	39 121	40 665	41 925	61 905	78 555	81 219
B	NC066	Karoo Hoogland	36 713	37 754	39 321	57 529	53 446	53 384
B	NC067	Khâi-Ma	30 380	31 111	32 528	72 573	50 402	57 005
C	DC6	Namakwa District Municipality	61 911	63 678	66 315	68 869	69 560	72 411
Total: Namakwa Municipalities			**304 639**	**314 001**	**326 331**	**474 595**	**490 046**	**506 443**
B	NC071	Ubuntu	54 469	55 624	58 328	91 951	77 536	77 653
B	NC072	Umsobomvu	77 410	79 406	82 929	102 444	112 019	116 580
B	NC073	Emthanjeni	68 137	70 555	73 024	119 423	102 133	105 589
B	NC074	Kareeberg	38 491	39 051	41 195	61 243	63 836	66 790
B	NC075	Renosterberg	36 985	37 595	39 583	65 373	50 751	58 776
B	NC076	Thembelihle	39 399	40 145	42 179	104 103	70 657	76 633
B	NC077	Siyathemba	50 738	52 079	54 346	68 724	69 922	72 673
B	NC078	Siyancuma	69 816	71 751	74 798	115 582	114 120	118 647
C	DC7	Pixley Ka Seme District Municipality	64 541	65 355	69 055	71 488	71 273	75 192
Total: Pixley Ka Seme Municipalities			**499 986**	**511 561**	**535 437**	**800 331**	**732 247**	**768 533**
B	NC082	!Kai !Garib	140 648	147 105	150 821	194 609	186 048	192 490
B	NC084	!Kheis	37 953	38 598	40 624	66 025	55 729	58 072
B	NC085	Tsantsabane	64 383	67 069	69 020	103 558	97 133	99 908
B	NC086	Kgatelopele	37 938	39 277	40 650	60 154	53 388	55 100
B	NC087	Dawid Kruiper	139 269	146 243	149 352	376 933	302 502	292 347
C	DC8	Z.F. Mgcawu District Municipality	86 610	88 654	92 734	92 681	93 691	98 084
Total: Z.F. Mgcawu Municipalities			**506 801**	**526 946**	**543 201**	**893 960**	**788 491**	**796 001**
B	NC091	Sol Plaatjie	319 064	336 425	342 319	1 045 606	924 052	689 167
B	NC092	Dikgatlong	128 662	131 651	137 842	185 822	169 458	175 813
B	NC093	Magareng	66 815	67 920	71 538	118 353	114 391	111 510
B	NC094	Phokwane	148 756	152 298	159 383	228 146	245 429	256 114
C	DC9	Frances Baard District Municipality	148 071	153 119	158 701	158 697	162 616	168 497
Total: Frances Baard Municipalities			**811 368**	**841 413**	**869 783**	**1 736 624**	**1 615 946**	**1 401 101**
B	NC451	Joe Morolong	195 164	198 250	210 571	303 636	357 398	407 796
B	NC452	Ga-Segonyana	255 910	262 007	274 227	398 326	416 091	438 467
B	NC453	Gamagara	75 260	79 550	80 733	124 029	149 236	151 790
C	DC45	John Taolo Gaetsewe District Municipality	114 817	117 631	121 444	124 742	126 947	130 538
Total: John Taolo Gaetsewe Municipalities			**641 151**	**657 438**	**686 975**	**950 733**	**1 049 672**	**1 128 591**
Total: Northern Cape Municipalities			**2 763 945**	**2 851 359**	**2 961 727**	**4 856 243**	**4 676 402**	**4 600 669**
NORTH WEST								
B	NW371	Moretele	484 660	493 863	519 302	658 353	788 341	836 303
B	NW372	Madibeng	1 232 260	1 284 945	1 321 575	1 723 376	1 826 535	1 885 384
B	NW373	Rustenburg	1 314 907	1 391 373	1 410 916	1 895 197	1 953 243	1 984 019
B	NW374	Kgetlengrivier	149 305	154 840	160 056	213 138	216 128	235 545
B	NW375	Moses Kotane	623 943	637 567	668 618	877 327	1 039 602	1 004 783
C	DC37	Bojanala Platinum District Municipality	427 573	439 208	457 772	434 296	444 307	463 064
Total: Bojanala Platinum Municipalities			**4 232 648**	**4 401 796**	**4 538 239**	**5 801 687**	**6 268 156**	**6 409 098**
B	NW381	Ratlou	165 544	164 558	176 141	210 001	207 346	222 153
B	NW382	Tswaing	160 230	160 640	170 393	211 482	209 332	223 255
B	NW383	Mafikeng	382 777	384 865	406 836	547 373	529 364	545 933
B	NW384	Ditsobotla	189 842	192 153	201 702	255 606	267 483	297 159
B	NW385	Ramotshere Moiloa	240 282	239 224	255 611	321 786	299 794	321 585
C	DC38	Ngaka Modiri Molema District Municipality	1 244 145	1 312 621	1 343 353	1 899 341	1 937 107	1 990 967
Total: Ngaka Modiri Molema Municipalities			**2 382 820**	**2 454 061**	**2 554 036**	**3 445 589**	**3 450 426**	**3 601 052**
B	NW392	Naledi	74 733	75 763	79 431	118 789	113 731	124 206
B	NW393	Mamusa	75 713	75 842	80 538	108 693	110 448	121 485
B	NW394	Greater Taung	249 987	247 600	266 026	322 625	328 220	353 734
B	NW396	Lekwa-Teemane	69 755	70 271	74 173	93 008	92 265	96 638
B	NW397	Kagisano-Molopo	157 076	155 762	167 159	208 052	212 350	245 310
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	564 612	594 195	609 651	1 255 203	1 285 378	1 431 009
Total: Dr Ruth Segomotsi Mompati Municipalities			**1 191 876**	**1 219 433**	**1 276 978**	**2 106 370**	**2 142 392**	**2 372 382**
B	NW403	City of Matlosana	717 830	754 060	770 051	976 656	977 040	1 004 307
B	NW404	Maquassi Hills	193 688	199 422	207 583	320 550	315 584	330 625
B	NW405	JB Marks	462 582	486 787	496 264	653 196	760 206	786 087
C	DC40	Dr Kenneth Kaunda District Municipality	231 333	238 735	247 876	241 102	247 156	252 594
Total: Dr Kenneth Kaunda Municipalities			**1 605 433**	**1 679 004**	**1 721 774**	**2 191 504**	**2 299 986**	**2 373 613**
Total: North West Municipalities			**9 412 777**	**9 754 294**	**10 091 027**	**13 545 150**	**14 160 960**	**14 756 145**

ANNEXURE W7

EQUITABLE SHARE AND TOTAL ALLOCATIONS TO MUNICPALITIES

Category		Municipality	EQUITABLE SHARE[1] National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	TOTAL ALLOCATIONS TO MUNICIPALITIES National and Municipal Financial Year 2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
WESTERN CAPE								
A	CPT	City of Cape Town	4 987 995	5 278 065	5 352 197	10 139 046	9 165 094	8 865 893
B	WC011	Matzikama	92 383	97 422	99 096	178 608	159 259	161 602
B	WC012	Cederberg	79 368	83 100	85 108	138 490	156 314	163 150
B	WC013	Bergrivier	77 595	82 032	83 241	116 099	109 750	111 654
B	WC014	Saldanha Bay	157 439	166 306	168 888	192 227	204 133	206 962
B	WC015	Swartland	175 682	185 898	188 509	249 420	237 738	242 213
C	DC1	West Coast District Municipality	115 135	118 362	123 325	121 027	122 872	128 135
Total: West Coast Municipalities			**697 602**	**733 120**	**748 167**	**995 871**	**990 066**	**1 013 716**
B	WC022	Witzenberg	166 475	176 156	178 631	200 597	231 209	234 027
B	WC023	Drakenstein	264 583	279 970	283 902	595 182	341 737	347 802
B	WC024	Stellenbosch	246 336	260 662	264 323	315 896	321 409	326 876
B	WC025	Breede Valley	199 253	210 840	213 801	289 043	284 592	282 879
B	WC026	Langeberg	128 629	135 617	137 972	171 786	180 188	182 741
C	DC2	Cape Winelands District Municipality	283 998	295 155	304 495	290 002	299 866	309 512
Total: Cape Winelands Municipalities			**1 289 274**	**1 358 400**	**1 383 124**	**1 862 506**	**1 659 001**	**1 683 837**
B	WC031	Theewaterskloof	157 971	166 048	169 463	217 640	220 062	214 624
B	WC032	Overstrand	188 321	197 595	201 973	275 232	238 800	250 541
B	WC033	Cape Agulhas	48 191	50 611	51 676	64 331	80 184	81 729
B	WC034	Swellendam	52 038	54 694	55 805	80 722	78 692	82 947
C	DC3	Overberg District Municipality	89 652	91 575	95 991	95 618	96 236	100 956
Total: Overberg Municipalities			**536 173**	**560 523**	**574 908**	**733 543**	**713 974**	**730 797**
B	WC041	Kannaland	40 072	41 370	42 931	63 947	71 547	107 863
B	WC042	Hessequa	71 102	74 840	76 253	100 029	101 231	103 299
B	WC043	Mossel Bay	156 156	163 995	167 474	210 624	203 164	207 886
B	WC044	George	263 324	278 637	282 551	541 519	522 814	531 633
B	WC045	Oudtshoorn	112 882	117 763	121 026	149 324	158 481	161 807
B	WC047	Bitou	166 927	173 234	178 958	212 199	225 277	231 816
B	WC048	Knysna	144 083	150 573	154 502	195 831	195 151	200 549
C	DC4	Garden Route District Municipality	193 449	199 805	207 302	199 381	204 181	211 974
Total: Garden Route Municipalities			**1 147 995**	**1 200 217**	**1 230 997**	**1 672 854**	**1 681 846**	**1 756 827**
B	WC051	Laingsburg	23 664	24 188	25 329	48 339	56 719	55 733
B	WC052	Prince Albert	31 988	32 858	34 256	58 665	66 717	62 479
B	WC053	Beaufort West	95 841	99 310	102 729	148 053	124 482	128 674
C	DC5	Central Karoo District Municipality	38 947	39 201	41 662	43 840	42 938	45 675
Total: Central Karoo Municipalities			**190 440**	**195 557**	**203 976**	**298 897**	**290 856**	**292 561**
Total: Western Cape Municipalities			**8 849 479**	**9 325 882**	**9 493 369**	**15 702 717**	**14 500 837**	**14 343 631**
Unallocated			-	-	-	411 020	2 895 778	2 960 395
National Total			**110 090 001**	**114 483 348**	**118 041 399**	**172 220 924**	**179 108 439**	**184 775 133**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
												2026/27 R'(000)			2027/28 R'(000)			2028/29 R'(000)					
EASTERN CAPE																							
A	BUF	Buffalo City	1 363 341	1 432 070	1 462 480	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 363 341	1 432 070	1 462 480
A	NMA	Nelson Mandela Bay	1 740 504	1 841 721	1 867 588	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 740 504	1 841 721	1 867 588
B	EC101	Dr Beyers Naude	124 390	128 584	133 351	-	-	-	5 916	6 121	6 311	-	-	-	-	-	-	-	-	-	130 306	134 705	139 662
B	EC102	Blue Crane Route	72 060	73 943	77 210	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	74 969	76 953	80 313
B	EC104	Makana	132 472	137 015	142 021	-	-	-	6 687	6 919	7 134	-	-	-	-	-	-	-	-	-	139 159	143 934	149 155
B	EC105	Ndlambe	141 288	145 961	151 460	-	-	-	4 930	5 101	5 260	-	-	-	-	-	-	-	-	-	146 218	151 062	156 720
B	EC106	Sundays River Valley	122 933	127 428	131 797	-	-	-	3 944	4 081	4 208	-	-	-	-	-	-	-	-	-	126 877	131 509	136 005
B	EC108	Kouga	205 299	214 666	220 192	-	-	-	7 395	7 652	7 889	-	-	-	-	-	-	-	-	-	212 694	222 318	228 081
B	EC109	Kou-Kamma	71 184	73 717	76 307	-	-	-	3 139	3 248	3 349	-	-	-	-	-	-	-	-	-	74 323	76 965	79 656
C	DC10	Sarah Baartman District Municipality	34 255	33 486	36 556	80 683	83 903	86 511	-	-	-	-	-	-	-	-	-	-	-	-	114 938	117 389	123 067
Total: Sarah Baartman Municipalities			**903 881**	**934 800**	**968 894**	**80 683**	**83 903**	**86 511**	**34 920**	**36 132**	**37 254**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 019 484**	**1 054 835**	**1 092 659**
B	EC121	Mbhashe	302 035	298 303	321 369	-	-	-	15 560	16 100	16 600	128 445	76 813	-	139 342	78 951	-	144 462	77 792	-	317 595	314 403	337 969
B	EC122	Mnquma	315 238	311 321	335 419	-	-	-	15 560	16 100	16 600	133 931	80 093	-	145 293	82 323	-	150 632	81 115	-	330 798	327 421	352 019
B	EC123	Great Kei	50 783	50 287	54 060	-	-	-	3 431	3 551	3 661	17 513	10 473	-	18 999	10 764	-	19 697	10 607	-	54 214	53 838	57 721
B	EC124	Amahlathi	126 930	125 325	135 081	-	-	-	7 395	7 652	7 889	50 305	30 083	-	54 573	30 921	-	56 578	30 467	-	134 325	132 977	142 970
B	EC126	Ngqushwa	99 269	98 064	105 653	-	-	-	5 700	5 898	6 082	37 945	22 692	-	41 164	23 323	-	42 676	22 981	-	104 969	103 962	111 735
B	EC129	Raymond Mhlaba	208 438	205 654	221 807	-	-	-	11 123	11 510	11 867	85 330	51 029	-	92 569	52 449	-	95 971	51 680	-	219 561	217 164	233 674
C	DC12	Amathole District Municipality	724 651	770 671	784 657	546 764	568 584	586 255	-	-	-	-	-	-	-	-	-	-	-	-	1 271 415	1 339 255	1 370 912
Total: Amathole Municipalities			**1 827 344**	**1 859 625**	**1 958 046**	**546 764**	**568 584**	**586 255**	**58 769**	**60 811**	**62 699**	**453 468**	**271 182**	**-**	**491 940**	**278 731**	**-**	**510 016**	**274 641**	**-**	**2 432 877**	**2 489 020**	**2 607 000**
B	EC131	Inxuba Yethemba	55 042	55 804	58 484	-	-	-	4 436	4 591	4 733	31 064	18 577	-	33 700	19 094	-	34 938	18 814	-	59 478	60 395	63 217
B	EC135	Intsika Yethu	191 975	189 615	204 279	-	-	-	10 353	10 713	11 046	79 403	47 484	-	86 139	48 806	-	89 304	48 090	-	202 328	200 328	215 325
B	EC136	Emalahleni	148 636	146 713	158 178	-	-	-	8 380	8 671	8 941	59 444	35 548	-	64 487	36 538	-	66 856	36 002	-	157 016	155 384	167 119
B	EC137	Dr. A.B. Xuma	178 318	176 126	189 750	-	-	-	10 233	10 588	10 917	73 256	43 809	-	79 471	45 028	-	82 391	44 367	-	188 551	186 714	200 667
B	EC138	Sakhisizwe	82 354	81 459	87 653	-	-	-	4 221	4 368	4 503	30 754	18 392	-	33 363	18 904	-	34 589	18 626	-	86 575	85 827	92 156
B	EC139	Enoch Mgijima	242 955	243 232	258 293	-	-	-	-	-	-	124 923	74 706	-	135 521	76 785	-	140 500	75 659	-	242 955	243 232	258 293
C	DC13	Chris Hani District Municipality	695 828	734 713	752 537	126 365	131 407	135 491	-	-	-	-	-	-	-	-	-	-	-	-	822 193	866 120	888 028
Total: Chris Hani Municipalities			**1 595 108**	**1 627 662**	**1 709 174**	**126 365**	**131 407**	**135 491**	**37 623**	**38 931**	**40 140**	**398 844**	**238 516**	**-**	**432 681**	**245 155**	**-**	**448 579**	**241 558**	**-**	**1 759 096**	**1 798 000**	**1 884 805**
B	EC141	Elundini	187 967	186 333	199 977	-	-	-	8 380	8 671	8 941	81 233	48 579	-	88 125	49 931	-	91 363	49 198	-	196 347	195 004	208 918
B	EC142	Senqu	183 678	181 899	195 426	-	-	-	8 380	8 671	8 941	78 122	46 718	-	84 750	48 019	-	87 864	47 314	-	192 058	190 570	204 367
B	EC145	Walter Sisulu	77 701	78 769	82 556	-	-	-	5 755	5 955	6 140	44 520	26 624	-	48 298	27 365	-	50 072	26 964	-	83 456	84 724	88 696
C	DC14	Joe Gqabi District Municipality	364 724	384 395	394 319	55 016	57 211	58 989	-	-	-	-	-	-	-	-	-	-	-	-	419 740	441 606	453 308
Total: Joe Gqabi Municipalities			**814 070**	**831 396**	**872 278**	**55 016**	**57 211**	**58 989**	**22 515**	**23 297**	**24 022**	**203 876**	**121 921**	**-**	**221 172**	**125 315**	**-**	**229 299**	**123 476**	**-**	**891 601**	**911 904**	**955 289**
B	EC153	Ngquza Hill	321 160	317 369	341 705	-	-	-	15 775	16 323	16 830	137 857	82 441	-	149 553	84 736	-	155 048	83 492	-	336 935	333 692	358 535
B	EC154	Port St Johns	189 142	187 125	201 248	-	-	-	9 644	9 979	10 289	79 867	47 762	-	86 643	49 091	-	89 826	48 371	-	198 786	197 104	211 537
B	EC155	Nyandeni	323 906	320 337	344 611	-	-	-	15 775	16 323	16 830	140 684	84 131	-	152 619	86 473	-	158 227	85 204	-	339 681	336 660	361 441
B	EC156	Mhlontlo	220 829	217 774	234 995	-	-	-	12 602	13 040	13 445	90 457	54 095	-	98 131	55 601	-	101 737	54 785	-	233 431	230 814	248 440
B	EC157	King Sabata Dalindyebo	461 270	462 420	490 350	-	-	-	-	-	-	241 487	144 414	-	261 975	148 434	-	271 601	146 256	-	461 270	462 420	490 350
C	DC15	O.R. Tambo District Municipality	1 194 203	1 262 008	1 291 670	143 087	148 797	153 422	-	-	-	-	-	-	-	-	-	-	-	-	1 337 290	1 410 805	1 445 092
Total: O.R. Tambo Municipalities			**2 710 510**	**2 767 033**	**2 904 579**	**143 087**	**148 797**	**153 422**	**53 796**	**55 665**	**57 394**	**690 352**	**412 843**	**-**	**748 921**	**424 335**	**-**	**776 438**	**418 108**	**-**	**2 907 393**	**2 971 495**	**3 115 395**
B	EC441	Matatiele	299 487	296 632	318 610	-	-	-	13 310	13 773	14 201	131 888	78 872	-	143 078	81 067	-	148 335	79 877	-	312 797	310 405	332 811
B	EC442	Umzimvubu	268 071	264 854	285 231	-	-	-	13 588	14 060	14 497	113 746	68 022	-	123 396	69 915	-	127 930	68 889	-	281 659	278 914	299 728
B	EC443	Winnie Madikizela-Mandela	334 277	330 669	355 641	-	-	-	15 775	16 323	16 830	145 675	87 116	-	158 034	89 541	-	163 841	88 227	-	350 052	346 992	372 471
B	EC444	Ntabankulu	149 966	147 747	159 608	-	-	-	9 941	10 286	10 606	58 629	35 061	-	63 603	36 037	-	65 940	35 509	-	159 907	158 033	170 214
C	DC44	Alfred Nzo District Municipality	784 583	828 530	848 529	87 448	90 938	93 764	-	-	-	-	-	-	-	-	-	-	-	-	872 031	919 468	942 293
Total: Alfred Nzo Municipalities			**1 836 384**	**1 868 432**	**1 967 619**	**87 448**	**90 938**	**93 764**	**52 614**	**54 442**	**56 134**	**449 938**	**269 071**	**-**	**488 111**	**276 561**	**-**	**506 046**	**272 503**	**-**	**1 976 446**	**2 013 812**	**2 117 517**
Total: Eastern Cape Municipalities			**12 791 142**	**13 162 739**	**13 710 658**	**1 039 363**	**1 080 840**	**1 114 432**	**260 237**	**269 278**	**277 643**	**2 196 478**	**1 313 534**	**-**	**2 382 824**	**1 350 096**	**-**	**2 470 378**	**1 330 286**	**-**	**14 090 742**	**14 512 857**	**15 102 733**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
												2026/27 R'(000)			2027/28 R'(000)			2028/29 R'(000)					
FREE STATE																							
A	MAN	Mangaung	1 272 720	1 346 734	1 365 649	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 272 720	1 346 734	1 365 649
B	FS161	Letsemeng	93 060	96 131	99 750	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	96 491	99 682	103 411
B	FS162	Kopanong	121 110	125 072	129 823	-	-	-	4 478	4 633	4 777	-	-	-	-	-	-	-	-	-	125 588	129 705	134 600
B	FS163	Mohokare	101 417	104 173	108 681	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	104 848	107 724	112 342
B	FS164	New Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	DC16	Xhariep District Municipality	23 372	22 804	24 942	26 240	27 287	28 135	3 447	3 567	3 677	-	-	-	-	-	-	-	-	-	53 059	53 658	56 754
Total: Xhariep Municipalities			**338 959**	**348 180**	**363 196**	**26 240**	**27 287**	**28 135**	**14 787**	**15 302**	**15 776**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**379 986**	**390 769**	**407 107**
B	FS181	Masilonyana	172 128	176 596	184 471	-	-	-	4 715	4 879	5 030	-	-	-	-	-	-	-	-	-	176 843	181 475	189 501
B	FS182	Tokologo	79 793	81 698	85 491	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	83 224	85 249	89 152
B	FS183	Tswelopele	103 367	105 854	110 762	-	-	-	4 478	4 633	4 777	-	-	-	-	-	-	-	-	-	107 845	110 487	115 539
B	FS184	Matjhabeng	813 898	852 537	873 022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	813 898	852 537	873 022
B	FS185	Nala	166 800	171 511	178 781	-	-	-	5 916	6 121	6 311	-	-	-	-	-	-	-	-	-	172 716	177 632	185 092
C	DC18	Lejweleputswa District Municipality	48 288	47 294	51 528	110 118	114 513	118 072	-	-	-	-	-	-	-	-	-	-	-	-	158 406	161 807	169 600
Total: Lejweleputswa Municipalities			**1 384 274**	**1 435 490**	**1 484 055**	**110 118**	**114 513**	**118 072**	**18 540**	**19 184**	**19 779**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 512 932**	**1 569 187**	**1 621 906**
B	FS191	Setsoto	276 010	284 461	295 879	-	-	-	8 165	8 448	8 711	-	-	-	-	-	-	-	-	-	284 175	292 909	304 590
B	FS192	Dihlabeng	269 775	281 275	289 320	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	269 775	281 275	289 320
B	FS193	Nketoana	143 373	147 837	153 682	-	-	-	4 436	4 591	4 733	-	-	-	-	-	-	-	-	-	147 809	152 428	158 415
B	FS194	Maluti-a-Phofung	895 917	919 678	960 344	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	895 917	919 678	960 344
B	FS195	Phumelela	107 789	110 815	115 520	-	-	-	4 186	4 331	4 466	-	-	-	-	-	-	-	-	-	111 975	115 146	119 986
B	FS196	Mantsopa	119 754	123 336	128 356	-	-	-	4 436	4 591	4 733	-	-	-	-	-	-	-	-	-	124 190	127 927	133 089
C	DC19	Thabo Mofutsanyana District Municipality	67 833	66 565	72 383	73 853	76 801	79 188	-	-	-	-	-	-	-	-	-	-	-	-	141 686	143 366	151 571
Total: Thabo Mofutsanyana Municipalities			**1 880 451**	**1 933 967**	**2 015 484**	**73 853**	**76 801**	**79 188**	**21 223**	**21 961**	**22 643**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 975 527**	**2 032 729**	**2 117 315**
B	FS201	Moqhaka	323 918	336 430	347 341	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	323 918	336 430	347 341
B	FS203	Ngwathe	296 619	306 101	317 991	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	296 619	306 101	317 991
B	FS204	Metsimaholo	329 025	345 005	352 936	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	329 025	345 005	352 936
B	FS205	Mafube	140 123	144 219	150 185	-	-	-	4 221	4 368	4 503	-	-	-	-	-	-	-	-	-	144 344	148 587	154 688
C	DC20	Fezile Dabi District Municipality	13 247	13 001	14 135	176 345	183 382	189 082	-	-	-	-	-	-	-	-	-	-	-	-	189 592	196 383	203 217
Total: Fezile Dabi Municipalities			**1 102 932**	**1 144 756**	**1 182 588**	**176 345**	**183 382**	**189 082**	**4 221**	**4 368**	**4 503**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 283 498**	**1 332 506**	**1 376 173**
Total: Free State Municipalities			**5 979 336**	**6 209 127**	**6 410 972**	**386 556**	**401 983**	**414 477**	**58 771**	**60 815**	**62 701**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6 424 663**	**6 671 925**	**6 888 150**
GAUTENG																							
A	EKU	City of Ekurhuleni	6 323 571	6 691 310	6 785 292	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6 323 571	6 691 310	6 785 292
A	JHB	City of Johannesburg	8 650 870	9 153 951	9 282 521	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8 650 870	9 153 951	9 282 521
A	TSH	City of Tshwane	4 898 214	5 183 063	5 255 861	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 898 214	5 183 063	5 255 861
B	GT421	Emfuleni	1 292 642	1 362 989	1 386 858	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 292 642	1 362 989	1 386 858
B	GT422	Midvaal	188 731	199 706	202 511	-	-	-	7 395	7 652	7 889	-	-	-	-	-	-	-	-	-	196 126	207 358	210 400
B	GT423	Lesedi	234 299	245 347	251 309	-	-	-	6 408	6 631	6 837	-	-	-	-	-	-	-	-	-	240 707	251 978	258 146
C	DC42	Sedibeng District Municipality	30 010	29 549	32 021	300 361	312 348	322 055	-	-	-	-	-	-	-	-	-	-	-	-	330 371	341 897	354 076
Total: Sedibeng Municipalities			**1 745 682**	**1 837 591**	**1 872 699**	**300 361**	**312 348**	**322 055**	**13 803**	**14 283**	**14 726**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 059 846**	**2 164 222**	**2 209 480**
B	GT481	Mogale City	740 129	783 170	794 170	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	740 129	783 170	794 170
B	GT484	Merafong City	344 823	363 318	369 945	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	344 823	363 318	369 945
B	GT485	Rand West City	525 600	553 468	563 883	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	525 600	553 468	563 883
C	DC48	West Rand District Municipality	51 836	51 235	55 306	205 567	213 770	220 414	-	-	-	-	-	-	-	-	-	-	-	-	257 403	265 005	275 720
Total: West Rand Municipalities			**1 662 388**	**1 751 191**	**1 783 304**	**205 567**	**213 770**	**220 414**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 867 955**	**1 964 961**	**2 003 718**
Total: Gauteng Municipalities			**23 280 725**	**24 617 106**	**24 979 677**	**505 928**	**526 118**	**542 469**	**13 803**	**14 283**	**14 726**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**23 800 456**	**25 157 507**	**25 536 872**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
											2026/27 R'(000)			2027/28 R'(000)			2028/29 R'(000)					
KWAZULU-NATAL																						
A	ETH eThekwini	5 516 093	5 836 875	5 918 856	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 516 093	5 836 875	5 918 856
B	KZN212 uMdoni	170 317	168 965	181 187	-	-	-	9 151	9 469	9 763	74 969	44 833	-	81 330	46 081	-	84 318	45 405	-	179 468	178 434	190 950
B	KZN213 uMzumbe	154 837	152 403	164 800	-	-	-	10 233	10 588	10 917	59 806	35 765	-	64 880	36 761	-	67 264	36 221	-	165 070	162 991	175 717
B	KZN214 uMuziwabantu	115 307	114 238	122 697	-	-	-	5 208	5 388	5 556	46 736	27 949	-	50 701	28 727	-	52 564	28 306	-	120 515	119 626	128 253
B	KZN216 Ray Nkonyeni	308 900	311 912	328 230	-	-	-	-	-	-	176 133	105 331	-	191 076	108 262	-	198 096	106 674	-	308 900	311 912	328 230
C	DC21 Ugu District Municipality	624 289	659 340	675 159	120 313	125 114	129 003	-	-	-	-	-	-	-	-	-	-	-	-	744 602	784 454	804 162
Total: Ugu Municipalities		**1 373 650**	**1 406 858**	**1 472 073**	**120 313**	**125 114**	**129 003**	**24 592**	**25 445**	**26 236**	**357 645**	**213 878**	**-**	**387 987**	**219 831**	**-**	**402 243**	**216 606**	**-**	**1 518 555**	**1 557 417**	**1 627 312**
B	KZN221 uMshwathi	132 648	132 465	141 065	-	-	-	6 687	6 919	7 134	62 959	37 650	-	68 300	38 698	-	70 810	38 131	-	139 335	139 384	148 199
B	KZN222 uMngeni	106 982	110 097	113 550	-	-	-	6 193	6 408	6 607	73 495	43 951	-	79 730	45 175	-	82 659	44 512	-	113 175	116 505	120 157
B	KZN223 Mpofana	46 865	47 079	49 839	-	-	-	2 616	2 707	2 791	21 542	12 883	-	23 370	13 241	-	24 228	13 047	-	49 481	49 786	52 630
B	KZN224 iMpendle	46 666	46 302	49 680	-	-	-	2 826	2 924	3 015	15 395	9 206	-	16 701	9 463	-	17 314	9 324	-	49 492	49 226	52 695
B	KZN225 Msunduzi	925 767	974 653	993 191	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	925 767	974 653	993 191
B	KZN226 Mkhambathini	83 286	82 944	88 606	-	-	-	3 451	3 571	3 682	35 123	21 004	-	38 103	21 589	-	39 503	21 272	-	86 737	86 515	92 288
B	KZN227 Richmond	93 640	93 344	99 612	-	-	-	3 451	3 571	3 682	40 589	24 273	-	44 033	24 949	-	45 651	24 583	-	97 091	96 915	103 294
C	DC22 uMgungundlovu District Municipality	437 538	462 151	473 147	388 806	404 322	416 888	-	-	-	-	-	-	-	-	-	-	-	-	826 344	866 473	890 035
Total: uMgungundlovu Municipalities		**1 873 392**	**1 949 035**	**2 008 690**	**388 806**	**404 322**	**416 888**	**25 224**	**26 100**	**26 911**	**249 102**	**148 968**	**-**	**270 236**	**153 114**	**-**	**280 165**	**150 867**	**-**	**2 287 422**	**2 379 457**	**2 452 489**
B	KZN235 Okhahlamba	155 548	153 908	165 512	-	-	-	7 179	7 429	7 660	64 250	38 423	-	69 701	39 492	-	72 262	38 913	-	162 727	161 337	173 172
B	KZN237 iNkosi Langalibalele	229 126	227 165	243 747	-	-	-	11 616	12 019	12 393	101 584	60 749	-	110 202	62 440	-	114 252	61 524	-	240 742	239 184	256 140
B	KZN238 Alfred Duma	326 208	327 123	346 766	-	-	-	-	-	-	171 520	102 572	-	186 071	105 427	-	192 908	103 880	-	326 208	327 123	346 766
C	DC23 uThukela District Municipality	588 632	621 757	636 599	90 297	93 900	96 819	7 109	7 356	7 585	-	-	-	-	-	-	-	-	-	686 038	723 013	741 003
Total: uThukela Municipalities		**1 299 514**	**1 329 953**	**1 392 624**	**90 297**	**93 900**	**96 819**	**25 904**	**26 804**	**27 638**	**337 354**	**201 744**	**-**	**365 975**	**207 359**	**-**	**379 422**	**204 317**	**-**	**1 415 715**	**1 450 657**	**1 517 081**
B	KZN241 eNdumeni	70 486	71 746	74 874	-	-	-	3 236	3 348	3 452	41 870	25 039	-	45 422	25 736	-	47 091	25 358	-	73 722	75 094	78 326
B	KZN242 Nquthu	173 746	171 403	184 900	-	-	-	9 151	9 469	9 763	69 758	41 717	-	75 676	42 878	-	78 457	42 249	-	182 897	180 872	194 663
B	KZN244 uMsinga	215 839	213 688	229 638	-	-	-	10 757	11 130	11 476	92 734	55 456	-	100 601	57 000	-	104 297	56 164	-	226 596	224 818	241 114
B	KZN245 uMvoti	178 504	178 259	189 826	-	-	-	6 687	6 919	7 134	85 374	51 055	-	92 617	52 476	-	96 020	51 706	-	185 191	185 178	196 960
C	DC24 uMzinyathi District Municipality	509 279	537 621	550 726	70 812	73 637	75 926	-	-	-	-	-	-	-	-	-	-	-	-	580 091	611 258	626 652
Total: uMzinyathi Municipalities		**1 147 854**	**1 172 717**	**1 229 964**	**70 812**	**73 637**	**75 926**	**29 831**	**30 866**	**31 825**	**289 735**	**173 267**	**-**	**314 316**	**178 090**	**-**	**325 865**	**175 477**	**-**	**1 248 497**	**1 277 220**	**1 337 715**
B	KZN252 Newcastle	582 810	604 108	624 924	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	582 810	604 108	624 924
B	KZN253 eMadlangeni	36 311	36 004	38 656	-	-	-	2 909	3 010	3 103	12 016	7 186	-	13 035	7 386	-	13 514	7 277	-	39 220	39 014	41 759
B	KZN254 Dannhauser	110 583	109 038	117 702	-	-	-	6 193	6 408	6 607	41 682	24 926	-	45 218	25 620	-	46 879	25 244	-	116 776	115 446	124 309
C	DC25 Amajuba District Municipality	115 931	120 610	125 061	124 202	129 158	133 173	-	-	-	-	-	-	-	-	-	-	-	-	240 133	249 768	258 234
Total: Amajuba Municipalities		**845 635**	**869 760**	**906 343**	**124 202**	**129 158**	**133 173**	**9 102**	**9 418**	**9 710**	**53 697**	**32 112**	**-**	**58 253**	**33 006**	**-**	**60 393**	**32 521**	**-**	**978 939**	**1 008 336**	**1 049 226**
B	KZN261 eDumbe	96 792	95 755	103 011	-	-	-	4 715	4 879	5 030	37 384	22 356	-	40 556	22 979	-	42 046	22 641	-	101 507	100 634	108 041
B	KZN262 uPhongolo	181 535	180 268	193 117	-	-	-	7 179	7 429	7 660	80 005	47 844	-	86 793	49 176	-	89 982	48 455	-	188 714	187 697	200 777
B	KZN263 AbaQulusi	215 845	216 311	229 468	-	-	-	-	-	-	110 921	66 333	-	120 332	68 179	-	124 753	67 179	-	215 845	216 311	229 468
B	KZN265 Nongoma	191 960	188 716	204 318	-	-	-	11 123	11 510	11 867	73 985	44 244	-	80 262	45 476	-	83 211	44 809	-	203 083	200 226	216 185
B	KZN266 Ulundi	197 320	193 706	210 038	-	-	-	11 616	12 019	12 393	74 516	44 562	-	80 838	45 802	-	83 808	45 130	-	208 936	205 725	222 431
C	DC26 Zululand District Municipality	657 868	694 811	711 472	91 308	94 952	97 903	-	-	-	-	-	-	-	-	-	-	-	-	749 176	789 763	809 375
Total: Zululand Municipalities		**1 541 320**	**1 569 567**	**1 651 424**	**91 308**	**94 952**	**97 903**	**34 633**	**35 837**	**36 950**	**376 811**	**225 340**	**-**	**408 779**	**231 612**	**-**	**423 799**	**228 214**	**-**	**1 667 261**	**1 700 356**	**1 786 277**
B	KZN271 uMhlabuyalingana	227 328	225 279	241 849	-	-	-	9 644	9 979	10 289	98 993	59 200	-	107 391	60 847	-	111 337	59 955	-	236 972	235 258	252 138
B	KZN272 Jozini	241 163	238 384	256 601	-	-	-	11 123	11 510	11 867	101 909	60 944	-	110 555	62 640	-	114 617	61 721	-	252 286	249 894	268 468
B	KZN275 Inkosi uMtubatuba	226 937	224 192	241 472	-	-	-	11 123	11 510	11 867	95 057	56 846	-	103 122	58 428	-	106 911	57 571	-	238 060	235 702	253 339
B	KZN276 Big Five Hlabisa	143 581	141 878	152 795	-	-	-	7 095	7 341	7 569	57 573	34 430	-	62 458	35 388	-	64 753	34 869	-	150 676	149 219	160 364
C	DC27 uMkhanyakude District Municipality	620 816	655 342	671 351	72 006	74 880	77 207	-	-	-	-	-	-	-	-	-	-	-	-	692 822	730 222	748 558
Total: uMkhanyakude Municipalities		**1 459 825**	**1 485 075**	**1 564 068**	**72 006**	**74 880**	**77 207**	**38 985**	**40 340**	**41 592**	**353 532**	**211 419**	**-**	**383 526**	**217 304**	**-**	**397 618**	**214 115**	**-**	**1 570 816**	**1 600 295**	**1 682 867**
B	KZN281 uMfolozi	171 055	168 683	182 042	-	-	-	9 187	9 506	9 801	68 000	40 666	-	73 770	41 797	-	76 480	41 184	-	180 242	178 189	191 843
B	KZN282 uMhlathuze	610 321	636 553	654 560	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	610 321	636 553	654 560
B	KZN284 uMlalazi	233 251	230 424	248 184	-	-	-	13 588	14 060	14 497	98 764	59 063	-	107 143	60 707	-	111 080	59 816	-	246 839	244 484	262 681
B	KZN285 Mthonjaneni	92 720	91 122	98 713	-	-	-	6 571	6 799	7 010	32 296	19 313	-	35 036	19 851	-	36 323	19 560	-	99 291	97 921	105 723
B	KZN286 Nkandla	115 163	113 386	122 585	-	-	-	6 687	6 919	7 134	42 714	25 544	-	46 338	26 255	-	48 040	25 869	-	121 850	120 305	129 719
C	DC28 King Cetshwayo District Municipality	399 056	423 318	431 901	398 542	414 446	427 327	-	-	-	-	-	-	-	-	-	-	-	-	797 598	837 764	859 228
Total: King Cetshwayo Municipalities		**1 621 566**	**1 663 486**	**1 737 985**	**398 542**	**414 446**	**427 327**	**36 033**	**37 284**	**38 442**	**241 774**	**144 585**	**-**	**262 285**	**148 610**	**-**	**271 923**	**146 429**	**-**	**2 056 141**	**2 115 216**	**2 203 754**
B	KZN291 Mandeni	231 978	230 961	246 726	-	-	-	8 659	8 959	9 238	108 016	64 595	-	117 180	66 393	-	121 485	65 419	-	240 637	239 920	255 964
B	KZN292 KwaDukuza	297 020	305 644	315 241	-	-	-	-	-	-	206 046	123 219	-	223 527	126 649	-	231 740	124 791	-	297 020	305 644	315 241
B	KZN293 Ndwedwe	188 778	186 565	200 874	-	-	-	9 710	10 048	10 360	78 205	46 768	-	84 839	48 070	-	87 957	47 364	-	198 488	196 613	211 234
B	KZN294 Maphumulo	111 082	109 837	118 215	-	-	-	5 700	5 898	6 082	43 670	26 116	-	47 375	26 843	-	49 116	26 449	-	116 782	115 735	124 297
C	DC29 iLembe District Municipality	746 405	789 771	807 428	137 088	142 559	146 989	-	-	-	-	-	-	-	-	-	-	-	-	883 493	932 330	954 417
Total: iLembe Municipalities		**1 575 263**	**1 622 778**	**1 688 484**	**137 088**	**142 559**	**146 989**	**24 069**	**24 905**	**25 680**	**435 937**	**260 698**	**-**	**472 921**	**267 955**	**-**	**490 298**	**264 023**	**-**	**1 736 420**	**1 790 242**	**1 861 153**
B	KZN433 Greater Kokstad	83 474	84 422	88 705	-	-	-	4 715	4 879	5 030	46 223	27 642	-	50 144	28 411	-	51 986	27 994	-	88 189	89 301	93 735
B	KZN434 Johannes Phumani Phungula	136 113	134 625	144 840	-	-	-	6 687	6 919	7 134	55 191	33 005	-	59 874	33 924	-	62 074	33 426	-	142 800	141 544	151 974
B	KZN435 uMzimkhulu	242 839	240 633	258 348	-	-	-	10 630	11 000	11 342	106 251	63 540	-	115 265	65 308	-	119 500	64 350	-	253 469	251 633	269 690
B	KZN436 Dr Nkosazana Dlamini Zuma	158 970	157 374	169 148	-	-	-	7 617	7 882	8 127	66 282	39 638	-	71 906	40 741	-	74 548	40 144	-	166 587	165 256	177 275
C	DC43 Harry Gwala District Municipality	483 636	510 311	522 967	65 048	67 644	69 746	-	-	-	-	-	-	-	-	-	-	-	-	548 684	577 955	592 713
Total: Harry Gwala Municipalities		**1 105 032**	**1 127 365**	**1 184 008**	**65 048**	**67 644**	**69 746**	**29 649**	**30 680**	**31 633**	**273 947**	**163 825**	**-**	**297 188**	**168 385**	**-**	**308 108**	**165 915**	**-**	**1 199 729**	**1 225 689**	**1 285 387**
Total: KwaZulu-Natal Municipalities		**19 359 144**	**20 033 469**	**20 754 519**	**1 558 422**	**1 620 612**	**1 670 981**	**278 022**	**287 679**	**296 617**	**2 969 534**	**1 775 836**	**-**	**3 221 466**	**1 825 266**	**-**	**3 339 834**	**1 798 483**	**-**	**21 195 588**	**21 941 760**	**22 722 117**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
											2026/27 R'(000)			2027/28 R'(000)			2028/29 R'(000)					
LIMPOPO																						
B	LIM331 Greater Giyani	372 541	369 159	396 309	-	-	-	15 282	15 813	16 304	166 308	99 455	-	180 418	102 224	-	187 047	100 724	-	387 823	384 972	412 613
B	LIM332 Greater Letaba	363 072	360 090	386 218	-	-	-	14 790	15 303	15 779	163 893	98 011	-	177 798	100 739	-	184 331	99 261	-	377 862	375 393	401 997
B	LIM333 Greater Tzaneen	549 512	549 696	584 233	-	-	-	-	-	-	279 662	167 243	-	303 388	171 898	-	314 536	169 376	-	549 512	549 696	584 233
B	LIM334 Ba-Phalaborwa	205 121	204 298	218 155	-	-	-	9 151	9 469	9 763	96 303	57 591	-	104 473	59 194	-	108 312	58 325	-	214 272	213 767	227 918
B	LIM335 Maruleng	163 685	162 387	174 143	-	-	-	6 687	6 919	7 134	70 378	42 087	-	76 349	43 259	-	79 154	42 624	-	170 372	169 306	181 277
C	DC33 Mopani District Municipality	1 328 384	1 405 655	1 437 005	180 271	187 466	193 292	-	-	-	-	-	-	-	-	-	-	-	-	1 508 655	1 593 121	1 630 297
Total: Mopani Municipalities		**2 982 315**	**3 051 285**	**3 196 063**	**180 271**	**187 466**	**193 292**	**45 910**	**47 504**	**48 980**	**776 545**	**464 388**	**-**	**842 426**	**477 314**	**-**	**873 379**	**470 310**	**-**	**3 208 496**	**3 286 255**	**3 438 335**
B	LIM341 Musina	226 392	227 894	240 627	-	-	-	5 916	6 121	6 311	121 196	72 477	-	131 478	74 495	-	136 309	73 402	-	232 308	234 015	246 938
B	LIM343 Thulamela	596 267	594 199	634 080	-	-	-	19 997	20 692	21 335	289 870	173 348	-	314 462	178 173	-	326 017	175 558	-	616 264	614 891	655 415
B	LIM344 Makhado	507 068	506 862	539 128	-	-	-	-	-	-	256 124	153 167	-	277 854	157 430	-	288 063	155 120	-	507 068	506 862	539 128
B	LIM345 Collins Chabane	487 088	484 008	518 072	-	-	-	17 531	18 140	18 704	227 200	135 870	-	246 476	139 652	-	255 532	137 603	-	504 619	502 148	536 776
C	DC34 Vhembe District Municipality	1 540 687	1 629 533	1 666 509	117 146	121 821	125 607	-	-	-	-	-	-	-	-	-	-	-	-	1 657 833	1 751 354	1 792 116
Total: Vhembe Municipalities		**3 357 502**	**3 442 496**	**3 598 416**	**117 146**	**121 821**	**125 607**	**43 444**	**44 953**	**46 350**	**894 390**	**534 862**	**-**	**970 269**	**549 750**	**-**	**1 005 920**	**541 683**	**-**	**3 518 092**	**3 609 270**	**3 770 373**
B	LIM351 Blouberg	229 277	226 918	243 937	-	-	-	10 846	11 222	11 571	98 506	58 908	-	106 863	60 548	-	110 789	59 659	-	240 123	238 140	255 508
B	LIM353 Molemole	175 156	173 422	186 364	-	-	-	7 887	8 161	8 415	73 889	44 187	-	80 157	45 417	-	83 102	44 750	-	183 043	181 583	194 779
B	LIM354 Polokwane	1 541 239	1 606 170	1 652 917	-	-	-	-	-	-	256 124	153 167	-	277 854	157 430	-	288 063	155 120	-	1 541 239	1 606 170	1 652 917
B	LIM355 Lepele-Nkumpi	311 599	307 686	331 551	-	-	-	14 790	15 303	15 779	131 804	78 821	-	142 987	81 015	-	148 240	79 827	-	326 389	322 989	347 330
C	DC35 Capricorn District Municipality	557 522	587 230	602 562	339 214	352 751	363 714	-	-	-	-	-	-	-	-	-	-	-	-	896 736	939 981	966 276
Total: Capricorn Municipalities		**2 814 793**	**2 901 426**	**3 017 331**	**339 214**	**352 751**	**363 714**	**33 523**	**34 686**	**35 765**	**304 199**	**181 916**	**-**	**330 006**	**186 980**	**-**	**342 132**	**184 236**	**-**	**3 187 530**	**3 288 863**	**3 416 810**
B	LIM361 Thabazimbi	159 093	167 990	170 696	-	-	-	5 700	5 898	6 082	-	-	-	-	-	-	-	-	-	164 793	173 888	176 778
B	LIM362 Lephalale	264 473	275 574	283 624	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	264 473	275 574	283 624
B	LIM366 Bela-Bela	145 015	150 432	155 480	-	-	-	4 221	4 368	4 503	-	-	-	-	-	-	-	-	-	149 236	154 800	159 983
B	LIM367 Mogalakwena	637 638	653 125	683 438	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	637 638	653 125	683 438
B	LIM368 Modimolle-Mookgophong	167 982	174 579	180 126	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167 982	174 579	180 126
C	DC36 Waterberg District Municipality	47 745	46 963	50 945	105 610	109 825	113 238	7 541	7 803	8 045	-	-	-	-	-	-	-	-	-	160 896	164 591	172 228
Total: Waterberg Municipalities		**1 421 946**	**1 468 663**	**1 524 309**	**105 610**	**109 825**	**113 238**	**17 462**	**18 069**	**18 630**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 545 018**	**1 596 557**	**1 656 177**
B	LIM471 Ephraim Mogale	189 716	188 132	201 834	-	-	-	7 887	8 161	8 415	82 230	49 175	-	89 206	50 544	-	92 484	49 802	-	197 603	196 293	210 249
B	LIM472 Elias Motsoaledi	352 474	348 614	375 006	-	-	-	15 067	15 590	16 075	152 948	91 465	-	165 923	94 011	-	172 020	92 632	-	367 541	364 204	391 081
B	LIM473 Makhuduthamaga	338 436	334 830	360 064	-	-	-	15 282	15 813	16 304	147 587	88 259	-	160 108	90 716	-	165 990	89 385	-	353 718	350 643	376 368
B	LIM476 Fetakgomo Tubatse	602 957	598 348	641 359	-	-	-	-	-	-	276 515	165 361	-	299 974	169 964	-	310 996	167 470	-	602 957	598 348	641 359
C	DC47 Sekhukhune District Municipality	1 137 212	1 202 453	1 230 066	140 499	146 106	150 647	-	-	-	-	-	-	-	-	-	-	-	-	1 277 711	1 348 559	1 380 713
Total: Sekhukhune Municipalities		**2 620 795**	**2 672 377**	**2 808 329**	**140 499**	**146 106**	**150 647**	**38 236**	**39 564**	**40 794**	**659 279**	**394 261**	**-**	**715 211**	**405 235**	**-**	**741 491**	**399 289**	**-**	**2 799 530**	**2 858 047**	**2 999 770**
Total: Limpopo Municipalities		**13 197 351**	**13 536 247**	**14 144 448**	**882 740**	**917 969**	**946 498**	**178 575**	**184 776**	**190 519**	**2 634 412**	**1 575 427**	**-**	**2 857 913**	**1 619 279**	**-**	**2 962 922**	**1 595 518**	**-**	**14 258 666**	**14 638 992**	**15 281 465**
MPUMALANGA																						
B	MP301 Chief Albert Luthuli	450 037	460 175	482 322	-	-	-	12 109	12 529	12 919	-	-	-	-	-	-	-	-	-	462 146	472 704	495 241
B	MP302 Msukaligwa	299 205	313 048	320 922	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	299 205	313 048	320 922
B	MP303 Mkhondo	365 813	376 836	392 148	-	-	-	9 367	9 692	9 993	-	-	-	-	-	-	-	-	-	375 180	386 528	402 141
B	MP304 Dr Pixley ka Isaka Seme	171 052	175 609	183 325	-	-	-	5 208	5 388	5 556	-	-	-	-	-	-	-	-	-	176 260	180 997	188 881
B	MP305 Lekwa	198 477	207 650	212 880	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	198 477	207 650	212 880
B	MP306 Dipaleseng	109 238	112 376	117 072	-	-	-	3 139	3 248	3 349	-	-	-	-	-	-	-	-	-	112 377	115 624	120 421
B	MP307 Govan Mbeki	523 359	553 795	561 573	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	523 359	553 795	561 573
C	DC30 Gert Sibande District Municipality	16 998	16 765	18 137	341 223	354 840	365 868	-	-	-	-	-	-	-	-	-	-	-	-	358 221	371 605	384 005
Total: Gert Sibande Municipalities		**2 134 179**	**2 216 254**	**2 288 379**	**341 223**	**354 840**	**365 868**	**29 823**	**30 857**	**31 817**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 505 225**	**2 601 951**	**2 686 064**
B	MP311 Victor Khanye	158 793	165 109	170 270	-	-	-	4 221	4 368	4 503	-	-	-	-	-	-	-	-	-	163 014	169 477	174 773
B	MP312 Emalahleni	685 541	725 408	735 597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	685 541	725 408	735 597
B	MP313 Steve Tshwete	400 090	423 356	429 303	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400 090	423 356	429 303
B	MP314 Emakhazeni	95 922	99 277	102 830	-	-	-	3 955	4 092	4 220	-	-	-	-	-	-	-	-	-	99 877	103 369	107 050
B	MP315 Thembisile Hani	621 226	637 043	665 873	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	621 226	637 043	665 873
B	MP316 Dr JS Moroka	520 390	529 290	557 636	-	-	-	15 282	15 813	16 304	-	-	-	-	-	-	-	-	-	535 672	545 103	573 940
C	DC31 Nkangala District Municipality	31 455	31 086	33 560	406 675	422 904	436 047	-	-	-	-	-	-	-	-	-	-	-	-	438 130	453 990	469 607
Total: Nkangala Municipalities		**2 513 417**	**2 610 569**	**2 695 069**	**406 675**	**422 904**	**436 047**	**23 458**	**24 273**	**25 027**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2 943 550**	**3 057 746**	**3 156 143**
B	MP321 Thaba Chweu	237 081	247 427	254 262	-	-	-	6 687	6 919	7 134	-	-	-	-	-	-	-	-	-	243 768	254 346	261 396
B	MP324 Nkomazi	882 182	905 900	945 629	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	882 182	905 900	945 629
B	MP325 Bushbuckridge	1 171 265	1 199 901	1 255 413	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 171 265	1 199 901	1 255 413
B	MP326 City of Mbombela	1 233 444	1 287 910	1 322 907	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 233 444	1 287 910	1 322 907
C	DC32 Ehlanzeni District Municipality	107 058	105 557	114 229	207 193	215 461	222 158	-	-	-	-	-	-	-	-	-	-	-	-	314 251	321 018	336 387
Total: Ehlanzeni Municipalities		**3 631 030**	**3 746 695**	**3 892 440**	**207 193**	**215 461**	**222 158**	**6 687**	**6 919**	**7 134**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3 844 910**	**3 969 075**	**4 121 732**
Total: Mpumalanga Municipalities		**8 278 626**	**8 573 518**	**8 875 888**	**955 091**	**993 205**	**1 024 073**	**59 968**	**62 049**	**63 978**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9 293 685**	**9 628 772**	**9 963 939**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
												2026/27 R'(000)			2027/28 R'(000)			2028/29 R'(000)					
NORTHERN CAPE																							
B	NC061	Richtersveld	25 181	25 839	26 976	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	28 090	28 849	30 079
B	NC062	Nama Khoi	69 409	72 367	74 431	-	-	-	4 478	4 633	4 777	-	-	-	-	-	-	-	-	-	73 887	77 000	79 208
B	NC064	Kamiesberg	31 628	31 934	33 852	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	34 537	34 944	36 955
B	NC065	Hantam	35 690	37 114	38 264	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	39 121	40 665	41 925
B	NC066	Karoo Hoogland	33 574	34 506	35 972	-	-	-	3 139	3 248	3 349	-	-	-	-	-	-	-	-	-	36 713	37 754	39 321
B	NC067	Khâi-Ma	27 471	28 101	29 425	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	30 380	31 111	32 528
C	DC6	Namakwa District Municipality	9 525	9 222	10 167	48 292	50 220	51 780	4 094	4 236	4 368	-	-	-	-	-	-	-	-	-	61 911	63 678	66 315
Total: Namakwa Municipalities			**232 478**	**239 083**	**249 087**	**48 292**	**50 220**	**51 780**	**23 869**	**24 698**	**25 464**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**304 639**	**314 001**	**326 331**
B	NC071	Ubuntu	51 560	52 614	55 225	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	54 469	55 624	58 328
B	NC072	Umsobomvu	73 979	75 855	79 268	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	77 410	79 406	82 929
B	NC073	Emthanjeni	64 182	66 463	68 804	-	-	-	3 955	4 092	4 220	-	-	-	-	-	-	-	-	-	68 137	70 555	73 024
B	NC074	Kareeberg	35 582	36 041	38 092	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	38 491	39 051	41 195
B	NC075	Renosterberg	34 411	34 931	36 837	-	-	-	2 574	2 664	2 746	-	-	-	-	-	-	-	-	-	36 985	37 595	39 583
B	NC076	Thembelihle	36 260	36 897	38 830	-	-	-	3 139	3 248	3 349	-	-	-	-	-	-	-	-	-	39 399	40 145	42 179
B	NC077	Siyathemba	47 829	49 069	51 243	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	50 738	52 079	54 346
B	NC078	Siyancuma	66 385	68 200	71 137	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	69 816	71 751	74 798
C	DC7	Pixley Ka Seme District Municipality	25 246	24 514	26 945	34 771	36 159	37 283	4 524	4 682	4 827	-	-	-	-	-	-	-	-	-	64 541	65 355	69 055
Total: Pixley Ka Seme Municipalities			**435 434**	**444 584**	**466 381**	**34 771**	**36 159**	**37 283**	**29 781**	**30 818**	**31 773**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**499 986**	**511 561**	**535 437**
B	NC082	!Kai !Garib	135 646	141 930	145 485	-	-	-	5 002	5 175	5 336	-	-	-	-	-	-	-	-	-	140 648	147 105	150 821
B	NC084	!Kheis	34 814	35 350	37 275	-	-	-	3 139	3 248	3 349	-	-	-	-	-	-	-	-	-	37 953	38 598	40 624
B	NC085	Tsantsabane	60 952	63 518	65 359	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	64 383	67 069	69 020
B	NC086	Kgatelopele	35 029	36 267	37 547	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	37 938	39 277	40 650
B	NC087	Dawid Kruiper	131 104	137 795	140 641	-	-	-	8 165	8 448	8 711	-	-	-	-	-	-	-	-	-	139 269	146 243	149 352
C	DC8	Z.F. Mgcawu District Municipality	20 932	20 380	22 339	60 723	63 147	65 109	4 955	5 127	5 286	-	-	-	-	-	-	-	-	-	86 610	88 654	92 734
Total: Z.F. Mgcawu Municipalities			**418 477**	**435 240**	**448 646**	**60 723**	**63 147**	**65 109**	**27 601**	**28 559**	**29 446**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**506 801**	**526 946**	**543 201**
B	NC091	Sol Plaatjie	319 064	336 425	342 319	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	319 064	336 425	342 319
B	NC092	Dikgatlong	124 707	127 559	133 622	-	-	-	3 955	4 092	4 220	-	-	-	-	-	-	-	-	-	128 662	131 651	137 842
B	NC093	Magareng	63 906	64 910	68 435	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	66 815	67 920	71 538
B	NC094	Phokwane	144 041	147 419	154 353	-	-	-	4 715	4 879	5 030	-	-	-	-	-	-	-	-	-	148 756	152 298	159 383
C	DC9	Frances Baard District Municipality	13 068	12 728	13 947	135 003	140 391	144 754	-	-	-	-	-	-	-	-	-	-	-	-	148 071	153 119	158 701
Total: Frances Baard Municipalities			**664 786**	**689 041**	**712 676**	**135 003**	**140 391**	**144 754**	**11 579**	**11 981**	**12 353**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**811 368**	**841 413**	**869 783**
B	NC451	Joe Morolong	186 939	189 739	201 796	-	-	-	8 225	8 511	8 775	-	-	25 726	-	-	26 442	-	-	26 054	195 164	198 250	210 571
B	NC452	Ga-Segonyana	248 731	254 578	266 567	-	-	-	7 179	7 429	7 660	-	-	-	-	-	-	-	-	-	255 910	262 007	274 227
B	NC453	Gamagara	71 532	75 692	76 755	-	-	-	3 728	3 858	3 978	-	-	-	-	-	-	-	-	-	75 260	79 550	80 733
C	DC45	John Taolo Gaetsewe District Municipality	47 459	47 611	49 248	62 403	64 893	66 910	4 955	5 127	5 286	-	-	-	-	-	-	-	-	-	114 817	117 631	121 444
Total: John Taolo Gaetsewe Municipalities			**554 661**	**567 620**	**594 366**	**62 403**	**64 893**	**66 910**	**24 087**	**24 925**	**25 699**	**-**	**-**	**25 726**	**-**	**-**	**26 442**	**-**	**-**	**26 054**	**641 151**	**657 438**	**686 975**
Total: Northern Cape Municipalities			**2 305 836**	**2 375 568**	**2 471 156**	**341 192**	**354 810**	**365 836**	**116 917**	**120 981**	**124 735**	**-**	**-**	**25 726**	**-**	**-**	**26 442**	**-**	**-**	**26 054**	**2 763 945**	**2 851 359**	**2 961 727**
NORTH WEST																							
B	NW371	Moretele	471 842	480 600	505 627	-	-	-	12 818	13 263	13 675	-	-	-	-	-	-	-	-	-	484 660	493 863	519 302
B	NW372	Madibeng	1 232 260	1 284 945	1 321 575	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 232 260	1 284 945	1 321 575
B	NW373	Rustenburg	1 314 907	1 391 373	1 410 916	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 314 907	1 391 373	1 410 916
B	NW374	Kgetlengrivier	146 069	151 492	156 604	-	-	-	3 236	3 348	3 452	-	-	-	-	-	-	-	-	-	149 305	154 840	160 056
B	NW375	Moses Kotane	606 904	619 936	650 440	-	-	-	17 039	17 631	18 178	-	-	-	-	-	-	-	-	-	623 943	637 567	668 618
C	DC37	Bojanala Platinum District Municipality	112 348	111 481	119 860	300 145	312 123	321 823	15 080	15 604	16 089	-	-	-	-	-	-	-	-	-	427 573	439 208	457 772
Total: Bojanala Platinum Municipalities			**3 884 330**	**4 039 827**	**4 165 022**	**300 145**	**312 123**	**321 823**	**48 173**	**49 846**	**51 394**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4 232 648**	**4 401 796**	**4 538 239**
B	NW381	Ratlou	158 449	157 217	168 572	-	-	-	7 095	7 341	7 569	68 150	40 755	-	73 932	41 889	-	76 649	41 275	-	165 544	164 558	176 141
B	NW382	Tswaing	153 328	153 498	163 029	-	-	-	6 902	7 142	7 364	75 932	45 409	-	82 374	46 673	-	85 401	45 988	-	160 230	160 640	170 393
B	NW383	Mafikeng	382 777	384 865	406 836	-	-	-	-	-	-	207 553	124 121	-	225 162	127 576	-	233 435	125 704	-	382 777	384 865	406 836
B	NW384	Ditsobotla	189 842	192 153	201 702	-	-	-	-	-	-	109 810	65 669	-	119 126	67 496	-	123 504	66 506	-	189 842	192 153	201 702
B	NW385	Ramotshere Moiloa	231 131	229 755	245 848	-	-	-	9 151	9 469	9 763	105 423	63 045	-	114 367	64 800	-	118 570	63 849	-	240 282	239 224	255 611
C	DC38	Ngaka Modiri Molema District Municipality	951 295	1 008 084	1 029 351	292 850	304 537	314 002	-	-	-	-	-	-	-	-	-	-	-	-	1 244 145	1 312 621	1 343 353
Total: Ngaka Modiri Molema Municipalities			**2 066 822**	**2 125 572**	**2 215 338**	**292 850**	**304 537**	**314 002**	**23 148**	**23 952**	**24 696**	**566 870**	**338 998**	**-**	**614 962**	**348 434**	**-**	**637 558**	**343 322**	**-**	**2 382 820**	**2 454 061**	**2 554 036**
B	NW392	Naledi	70 297	71 172	74 698	-	-	-	4 436	4 591	4 733	39 221	23 455	-	42 548	24 108	-	44 112	23 754	-	74 733	75 763	79 431
B	NW393	Mamusa	71 769	71 761	76 330	-	-	-	3 944	4 081	4 208	32 719	19 566	-	35 495	20 111	-	36 799	19 816	-	75 713	75 842	80 538
B	NW394	Greater Taung	238 156	235 358	253 403	-	-	-	11 831	12 242	12 623	100 579	60 148	-	109 112	61 823	-	113 122	60 915	-	249 987	247 600	266 026
B	NW396	Lekwa-Teemane	66 093	66 482	70 266	-	-	-	3 662	3 789	3 907	32 975	19 720	-	35 772	20 268	-	37 087	19 971	-	69 755	70 271	74 173
B	NW397	Kagisano-Molopo	149 897	148 333	159 499	-	-	-	7 179	7 429	7 660	61 885	37 008	-	67 135	38 038	-	69 602	37 480	-	157 076	155 762	167 159
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	472 489	498 430	510 910	85 445	88 855	91 616	6 678	6 910	7 125	-	-	-	-	-	-	-	-	-	564 612	594 195	609 651
Total: Dr Ruth Segomotsi Mompati Municipalities			**1 068 701**	**1 091 536**	**1 145 106**	**85 445**	**88 855**	**91 616**	**37 730**	**39 042**	**40 256**	**267 378**	**159 897**	**-**	**290 063**	**164 348**	**-**	**300 720**	**161 936**	**-**	**1 191 876**	**1 219 433**	**1 276 978**
B	NW403	City of Matlosana	717 830	754 060	770 051	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	717 830	754 060	770 051
B	NW404	Maquassi Hills	188 265	193 811	201 797	-	-	-	5 423	5 611	5 786	-	-	-	-	-	-	-	-	-	193 688	199 422	207 583
B	NW405	JB Marks	462 582	486 787	496 264	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	462 582	486 787	496 264
C	DC40	Dr Kenneth Kaunda District Municipality	31 990	31 437	34 135	199 343	207 298	213 741	-	-	-	-	-	-	-	-	-	-	-	-	231 333	238 735	247 876
Total: Dr Kenneth Kaunda Municipalities			**1 400 667**	**1 466 095**	**1 502 247**	**199 343**	**207 298**	**213 741**	**5 423**	**5 611**	**5 786**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 605 433**	**1 679 004**	**1 721 774**
Total: North West Municipalities			**8 420 520**	**8 723 030**	**9 027 713**	**877 783**	**912 813**	**941 182**	**114 474**	**118 451**	**122 132**	**834 248**	**498 896**	**-**	**905 025**	**512 782**	**-**	**938 278**	**505 258**	**-**	**9 412 777**	**9 754 294**	**10 091 027**

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	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)	Water	Sanitation	Refuse	Water	Sanitation	Refuse	Water	Sanitation	Refuse	2026/27 (R'000)	2027/28 (R'000)	2028/29 (R'000)
												2026/27 R'(000)			2027/28 R'(000)			2028/29 R'(000)					
WESTERN CAPE																							
A	CPT	City of Cape Town	4 987 995	5 278 065	5 352 197	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 987 995	5 278 065	5 352 197
B	WC011	Matzikama	88 655	93 564	95 118	-	-	-	3 728	3 858	3 978	-	-	-	-	-	-	-	-	-	92 383	97 422	99 096
B	WC012	Cederberg	76 459	80 090	82 005	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	79 368	83 100	85 108
B	WC013	Bergrivier	74 359	78 684	79 789	-	-	-	3 236	3 348	3 452	-	-	-	-	-	-	-	-	-	77 595	82 032	83 241
B	WC014	Saldanha Bay	150 752	159 387	161 754	-	-	-	6 687	6 919	7 134	-	-	-	-	-	-	-	-	-	157 439	166 306	168 888
B	WC015	Swartland	175 682	185 898	188 509	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175 682	185 898	188 509
C	DC1	West Coast District Municipality	24 232	23 831	25 856	90 903	94 531	97 469	-	-	-	-	-	-	-	-	-	-	-	-	115 135	118 362	123 325
Total: West Coast Municipalities			**590 139**	**621 454**	**633 031**	**90 903**	**94 531**	**97 469**	**16 560**	**17 135**	**17 667**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**697 602**	**733 120**	**748 167**
B	WC022	Witzenberg	166 475	176 156	178 631	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	166 475	176 156	178 631
B	WC023	Drakenstein	264 583	279 970	283 902	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	264 583	279 970	283 902
B	WC024	Stellenbosch	246 336	260 662	264 323	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	246 336	260 662	264 323
B	WC025	Breede Valley	199 253	210 840	213 801	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	199 253	210 840	213 801
B	WC026	Langeberg	122 929	129 719	131 890	-	-	-	5 700	5 898	6 082	-	-	-	-	-	-	-	-	-	128 629	135 617	137 972
C	DC2	Cape Winelands District Municipality	3 021	2 965	3 224	280 977	292 190	301 271	-	-	-	-	-	-	-	-	-	-	-	-	283 998	295 155	304 495
Total: Cape Winelands Municipalities			**1 002 597**	**1 060 312**	**1 075 771**	**280 977**	**292 190**	**301 271**	**5 700**	**5 898**	**6 082**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 289 274**	**1 358 400**	**1 383 124**
B	WC031	Theewaterskloof	157 971	166 048	169 463	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157 971	166 048	169 463
B	WC032	Overstrand	181 634	190 676	194 839	-	-	-	6 687	6 919	7 134	-	-	-	-	-	-	-	-	-	188 321	197 595	201 973
B	WC033	Cape Agulhas	45 282	47 601	48 573	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	48 191	50 611	51 676
B	WC034	Swellendam	49 129	51 684	52 702	-	-	-	2 909	3 010	3 103	-	-	-	-	-	-	-	-	-	52 038	54 694	55 805
C	DC3	Overberg District Municipality	26 726	26 138	28 520	62 926	65 437	67 471	-	-	-	-	-	-	-	-	-	-	-	-	89 652	91 575	95 991
Total: Overberg Municipalities			**460 742**	**482 147**	**494 097**	**62 926**	**65 437**	**67 471**	**12 505**	**12 939**	**13 340**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**536 173**	**560 523**	**574 908**
B	WC041	Kannaland	38 210	39 443	40 944	-	-	-	1 862	1 927	1 987	-	-	-	-	-	-	-	-	-	40 072	41 370	42 931
B	WC042	Hessequa	66 624	70 207	71 476	-	-	-	4 478	4 633	4 777	-	-	-	-	-	-	-	-	-	71 102	74 840	76 253
B	WC043	Mossel Bay	148 977	156 566	159 814	-	-	-	7 179	7 429	7 660	-	-	-	-	-	-	-	-	-	156 156	163 995	167 474
B	WC044	George	263 324	278 637	282 551	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	263 324	278 637	282 551
B	WC045	Oudtshoorn	106 689	111 355	114 419	-	-	-	6 193	6 408	6 607	-	-	-	-	-	-	-	-	-	112 882	117 763	121 026
B	WC047	Bitou	163 691	169 886	175 506	-	-	-	3 236	3 348	3 452	-	-	-	-	-	-	-	-	-	166 927	173 234	178 958
B	WC048	Knysna	138 875	145 185	148 946	-	-	-	5 208	5 388	5 556	-	-	-	-	-	-	-	-	-	144 083	150 573	154 502
C	DC4	Garden Route District Municipality	23 156	22 716	24 709	170 293	177 089	182 593	-	-	-	-	-	-	-	-	-	-	-	-	193 449	199 805	207 302
Total: Garden Route Municipalities			**949 546**	**993 995**	**1 018 365**	**170 293**	**177 089**	**182 593**	**28 156**	**29 133**	**30 039**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1 147 995**	**1 200 217**	**1 230 997**
B	WC051	Laingsburg	21 802	22 261	23 342	-	-	-	1 862	1 927	1 987	-	-	-	-	-	-	-	-	-	23 664	24 188	25 329
B	WC052	Prince Albert	30 126	30 931	32 269	-	-	-	1 862	1 927	1 987	-	-	-	-	-	-	-	-	-	31 988	32 858	34 256
B	WC053	Beaufort West	92 410	95 759	99 068	-	-	-	3 431	3 551	3 661	-	-	-	-	-	-	-	-	-	95 841	99 310	102 729
C	DC5	Central Karoo District Municipality	18 353	17 813	19 592	17 359	18 049	18 610	3 235	3 339	3 460	-	-	-	-	-	-	-	-	-	38 947	39 201	41 662
Total: Central Karoo Municipalities			**162 691**	**166 764**	**174 271**	**17 359**	**18 049**	**18 610**	**10 390**	**10 744**	**11 095**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**190 440**	**195 557**	**203 976**
Total: Western Cape Municipalities			**8 153 710**	**8 602 737**	**8 747 732**	**622 458**	**647 296**	**667 414**	**73 311**	**75 849**	**78 223**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8 849 479**	**9 325 882**	**9 493 369**
Unallocated																					-	-	-
National Total			**101 766 390**	**105 833 541**	**109 122 763**	**7 169 533**	**7 455 646**	**7 687 362**	**1 154 078**	**1 194 161**	**1 231 274**	**8 634 672**	**5 163 692**	**25 726**	**9 367 228**	**5 307 423**	**26 442**	**9 711 412**	**5 229 546**	**26 054**	**110 090 001**	**114 483 348**	**118 041 399**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE											
B	EC121	Mbhashe	191 295	213 954	221 154	20 000	21 000	22 000	-	-	-
B	EC122	Mnquma	178 075	199 168	205 871	15 000	17 000	19 000	-	-	-
B	EC123	Great Kei	10 882	12 171	12 581	21 000	21 000	21 000	-	-	-
B	EC124	Amahlathi	42 776	47 843	49 453	21 000	21 000	19 000	-	-	-
B	EC126	Ngqushwa	35 040	39 190	40 509	21 000	21 000	19 000	-	-	-
B	EC129	Raymond Mhlaba	55 411	61 975	64 060	12 000	14 500	16 686	-	-	-
Total: Amathole Municipalities			**513 479**	**574 301**	**593 628**	**110 000**	**115 500**	**116 686**	**-**	**-**	**-**
B	EC131	Inxuba Yethemba	6 163	6 894	7 126	15 000	20 000	21 000	-	-	-
B	EC135	Intsika Yethu	107 759	120 523	124 579	15 000	17 000	18 032	-	-	-
B	EC136	Emalahleni	54 306	60 738	62 782	15 000	17 405	19 000	-	-	-
B	EC137	Dr. A.B. Xuma	99 752	111 568	115 323	-	-	-	-	-	-
B	EC138	Sakhisizwe	24 105	26 961	27 868	15 000	20 000	19 000	-	-	-
B	EC139	Enoch Mgijima	50 489	56 469	58 369	15 000	17 500	19 000	-	-	-
Total: Chris Hani Municipalities			**342 574**	**383 153**	**396 047**	**75 000**	**91 905**	**96 032**	**-**	**-**	**-**
B	EC141	Elundini	101 240	113 232	117 043	19 000	21 000	22 000	-	-	-
B	EC142	Senqu	69 764	78 027	80 653	19 000	19 850	20 537	-	-	-
B	EC145	Walter Sisulu	13 091	14 642	15 134	19 000	19 000	20 000	-	-	-
Total: Joe Gqabi Municipalities			**184 095**	**205 901**	**212 830**	**57 000**	**59 850**	**62 537**	**-**	**-**	**-**
B	EC153	Ngquza Hill	171 705	192 043	198 506	20 000	24 000	25 000	-	-	-
B	EC154	Port St Johns	97 644	109 210	112 885	20 000	24 000	25 000	-	-	-
B	EC155	Nyandeni	175 769	196 588	203 204	5 000	6 375	6 971	-	-	-
B	EC156	Mhlontlo	110 538	123 631	127 792	20 000	24 000	25 000	-	-	-
B	EC157	King Sabata Dalindyebo	203 893	228 045	235 719	20 000	24 000	25 000	-	-	-
Total: O.R. Tambo Municipalities			**759 549**	**849 517**	**878 106**	**85 000**	**102 375**	**106 971**	**-**	**-**	**-**
B	EC441	Matatiele	109 213	122 149	126 260	24 000	25 125	26 100	-	-	-
B	EC442	Umzimvubu	110 736	123 853	128 021	22 000	23 500	25 129	-	-	-
B	EC443	Winnie Madikizela-Mandela	160 542	179 558	185 601	25 000	26 000	26 000	-	-	-
B	EC444	Ntabankulu	68 119	76 187	78 751	24 000	25 125	27 000	-	-	-
Total: Alfred Nzo Municipalities			**448 610**	**501 747**	**518 633**	**95 000**	**99 750**	**104 229**	**-**	**-**	**-**
Total: Eastern Cape Municipalities			**2 248 307**	**2 514 619**	**2 599 244**	**422 000**	**469 380**	**486 455**	**-**	**-**	**-**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
KWAZULU-NATAL										
B	KZN212 uMdoni	52 342	58 541	60 511	29 000	37 250	30 000	-	-	-
B	KZN213 uMzumbe	92 952	103 962	107 461	25 000	36 250	30 000	-	-	-
B	KZN214 uMuziwabantu	41 671	46 607	48 176	37 000	41 000	20 586	-	-	-
B	KZN216 Ray Nkonyeni	99 458	111 239	114 983	38 000	41 000	20 100	-	-	-
Total: Ugu Municipalities		**286 423**	**320 349**	**331 131**	**129 000**	**155 500**	**100 686**	**-**	**-**	**-**
B	KZN221 uMshwathi	32 928	36 828	38 067	16 000	15 000	13 461	-	-	-
B	KZN222 uMngeni	21 943	24 542	25 368	20 000	16 000	19 000	-	-	-
B	KZN223 Mpofana	8 713	9 745	10 073	17 000	17 250	19 000	-	-	-
B	KZN224 iMpendle	12 701	14 206	14 684	22 000	20 000	19 000	-	-	-
B	KZN226 Mkhambathini	21 448	23 989	24 796	18 000	16 250	15 000	-	-	-
B	KZN227 Richmond	20 148	22 534	23 292	17 000	16 000	15 000	-	-	-
Total: uMgungundlovu Municipalities		**117 881**	**131 844**	**136 280**	**110 000**	**100 500**	**100 461**	**-**	**-**	**-**
B	KZN235 Okhahlamba	52 268	58 459	60 427	-	-	-	22 800	106 651	110 000
B	KZN237 iNkosi Langalibalele	70 619	78 984	81 642	-	-	-	25 000	39 000	172 669
B	KZN238 Alfred Duma	94 149	105 301	108 845	-	-	-	56 000	78 000	200 000
Total: uThukela Municipalities		**217 036**	**242 744**	**250 914**	**-**	**-**	**-**	**103 800**	**223 651**	**482 669**
B	KZN241 eNdumeni	10 827	12 109	12 516	10 000	12 300	7 083	-	-	-
B	KZN242 Nquthu	57 157	63 927	66 079	10 000	12 379	6 100	-	-	-
B	KZN244 uMsinga	94 119	105 267	108 810	40 000	48 000	40 000	-	-	-
B	KZN245 uMvoti	59 964	67 067	69 324	40 000	47 000	40 000	-	-	-
Total: uMzinyathi Municipalities		**222 067**	**248 370**	**256 729**	**100 000**	**119 679**	**93 183**	**-**	**-**	**-**
B	KZN253 eMadlangeni	12 164	13 605	14 063	40 000	52 500	54 315	-	-	-
B	KZN254 Dannhauser	31 705	35 460	36 653	42 221	52 500	54 300	-	-	-
Total: Amajuba Municipalities		**43 869**	**49 065**	**50 716**	**82 221**	**105 000**	**108 615**	**-**	**-**	**-**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
B	KZN261 eDumbe	18 606	20 810	21 510	8 000	9 000	10 100	-	-	-
B	KZN262 uPhongolo	53 193	59 494	61 496	45 000	62 000	52 000	-	-	-
B	KZN263 AbaQulusi	57 201	63 976	66 129	8 500	9 000	10 100	-	-	-
B	KZN265 Nongoma	83 242	93 102	96 235	45 000	61 000	53 000	-	-	-
B	KZN266 Ulundi	55 274	61 821	63 901	8 500	9 000	10 188	-	-	-
Total: Zululand Municipalities		**267 516**	**299 203**	**309 271**	**115 000**	**150 000**	**135 388**	**-**	**-**	**-**
B	KZN271 uMhlabuyalingana	71 270	79 712	82 395	-	-	30 100	-	-	-
B	KZN272 Jozini	85 393	95 508	98 722	-	-	30 200	200 000	205 000	-
B	KZN275 Inkosi uMtubatuba	64 324	71 943	74 364	-	-	30 186	-	-	-
B	KZN276 Big Five Hlabisa	33 042	36 956	38 199	-	-	30 200	146 930	32 981	-
Total: uMkhanyakude Municipalities		**254 029**	**284 119**	**293 680**	**-**	**-**	**120 686**	**346 930**	**237 981**	**-**
B	KZN281 uMfolozi	38 548	43 113	44 564	26 250	25 250	27 000	-	-	-
B	KZN284 uMlalazi	87 605	97 982	101 280	26 250	20 550	28 732	-	-	-
B	KZN285 Mthonjaneni	33 539	37 511	38 774	27 100	20 350	27 140	-	-	-
B	KZN286 Nkandla	41 570	46 493	48 058	25 400	24 600	27 300	-	-	-
Total: King Cetshwayo Municipalities		**201 262**	**225 099**	**232 676**	**105 000**	**90 750**	**110 172**	**-**	**-**	**-**
B	KZN291 Mandeni	49 670	55 554	57 424	27 000	29 000	30 123	-	-	-
B	KZN292 KwaDukuza	74 660	83 503	86 313	41 000	33 750	30 300	-	-	-
B	KZN293 Ndwedwe	51 928	58 078	60 033	25 000	30 000	30 100	-	-	-
B	KZN294 Maphumulo	51 306	57 383	59 315	27 000	33 000	30 200	-	-	-
Total: iLembe Municipalities		**227 564**	**254 518**	**263 085**	**120 000**	**125 750**	**120 723**	**-**	**-**	**-**
B	KZN433 Greater Kokstad	12 412	13 882	14 349	28 000	39 000	36 000	-	-	-
B	KZN434 Johannes Phumani Phungula	55 819	62 430	64 531	29 000	37 000	33 100	-	-	-
B	KZN435 uMzimkhulu	114 895	128 505	132 829	29 000	37 000	34 000	-	-	-
B	KZN436 Dr Nkosazana Dlamini Zuma	54 024	60 423	62 457	29 000	37 750	33 072	-	-	-
Total: Harry Gwala Municipalities		**237 150**	**265 240**	**274 166**	**115 000**	**150 750**	**136 172**	**-**	**-**	**-**
Total: KwaZulu-Natal Municipalities		**2 074 797**	**2 320 551**	**2 398 648**	**876 221**	**997 929**	**1 026 086**	**450 730**	**461 632**	**482 669**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
LIMPOPO										
B	LIM331 Greater Giyani	136 829	153 037	158 187	-	-	-	170 416	182 703	190 906
B	LIM332 Greater Letaba	108 575	121 435	125 522	-	-	-	-	-	-
B	LIM333 Greater Tzaneen	215 622	241 162	249 278	-	-	-	-	-	-
B	LIM334 Ba-Phalaborwa	38 725	43 312	44 770	-	-	-	-	-	-
B	LIM335 Maruleng	46 411	51 908	53 655	-	-	-	-	-	-
Total: Mopani Municipalities		**546 162**	**610 854**	**631 412**	**-**	**-**	**-**	**170 416**	**182 703**	**190 906**
B	LIM341 Musina	33 556	37 531	38 794	48 000	39 000	41 000	-	-	-
B	LIM343 Thulamela	225 825	252 574	261 073	6 317	5 430	5 606	-	-	-
B	LIM344 Makhado	192 956	215 812	223 075	6 420	6 444	6 303	-	-	-
B	LIM345 Collins Chabane	167 224	187 032	193 326	48 000	39 000	41 000	-	-	-
Total: Vhembe Municipalities		**619 561**	**692 949**	**716 268**	**108 737**	**89 874**	**93 909**	**-**	**-**	**-**
B	LIM351 Blouberg	96 844	108 315	111 960	36 674	49 591	51 817	-	-	-
B	LIM353 Molemole	64 640	72 296	74 729	36 674	49 591	51 817	-	-	-
B	LIM355 Lepele-Nkumpi	113 065	126 457	130 713	36 674	49 591	51 819	-	-	-
Total: Capricorn Municipalities		**274 549**	**307 068**	**317 402**	**110 022**	**148 773**	**155 453**	**-**	**-**	**-**
B	LIM471 Ephraim Mogale	56 907	63 647	65 789	-	-	-	8 220	10 000	15 000
B	LIM472 Elias Motsoaledi	136 856	153 067	158 218	-	-	-	10 000	15 000	20 000
B	LIM473 Makhuduthamaga	156 214	174 717	180 597	-	-	-	25 000	20 000	15 000
B	LIM476 Fetakgomo Tubatse	221 336	247 553	255 884	-	-	-	20 000	21 882	19 884
Total: Sekhukhune Municipalities		**571 313**	**638 984**	**660 488**	**-**	**-**	**-**	**63 220**	**66 882**	**69 884**
Total: Limpopo Municipalities		**2 011 585**	**2 249 855**	**2 325 570**	**218 759**	**238 647**	**249 362**	**233 636**	**249 585**	**260 790**
NORTH WEST										
B	NW381 Ratlou	58 743	65 701	67 912	-	-	-	-	-	-
B	NW382 Tswaing	45 516	50 908	52 621	-	-	-	-	-	-
B	NW383 Mafikeng	131 378	146 940	151 885	-	-	-	-	-	-
B	NW384 Ditsobotla	54 484	60 937	62 988	-	-	-	-	-	-
B	NW385 Ramotshere Moiloa	68 154	76 227	78 792	-	-	-	142 378	148 072	154 719
Total: Ngaka Modiri Molema Municipalities		**358 275**	**400 713**	**414 198**	**-**	**-**	**-**	**142 378**	**148 072**	**154 719**
B	NW392 Naledi	14 070	15 737	16 266	-	-	-	-	-	-
B	NW393 Mamusa	11 978	13 397	13 848	-	-	-	-	-	-
B	NW394 Greater Taung	87 050	97 370	100 644	45 250	44 000	46 200	-	-	-
B	NW396 Lekwa-Teemane	4 907	5 488	5 673	45 100	43 100	45 340	-	-	-
B	NW397 Kagisano-Molopo	44 313	49 562	51 230	45 237	44 000	45 446	-	-	-
Total: Dr Ruth Segomotsi Mompati Municipalities		**162 318**	**181 554**	**187 661**	**135 587**	**131 100**	**136 986**	**-**	**-**	**-**
Total: North West Municipalities		**520 593**	**582 267**	**601 859**	**135 587**	**131 100**	**136 986**	**142 378**	**148 072**	**154 719**
National Total		**6 855 282**	**7 667 292**	**7 925 321**	**1 652 567**	**1 837 056**	**1 898 889**	**826 744**	**859 289**	**898 178**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE					
B	EC102 Blue Crane Route	Upgrading of Victoria Park Phase 3	9 318	-	-
B	EC104 Makana	Refurbisment of Transrivier stadium	839	-	-
B	EC105 Ndlambe	Construction of Marselle sport field	839	-	-
B	EC106 Sundays River Valley	Upgrading of Nomathamsanqa Sport Facility	5 591	-	-
Total: Sarah Baartman Municipalities			**16 585**	**-**	**-**
B	EC126 Ngqushwa	Upgrading of New Creation Sport Facility	1 864	-	-
Total: Amathole Municipalities			**1 864**	**-**	**-**
B	EC137 Dr. A.B. Xuma	Upgrading of Ngcobo Sport Facility	9 318	-	-
B	EC138 Sakhisizwe	Construction of Cala Sport field	11 181	-	-
Total: Chris Hani Municipalities			**20 499**	**-**	**-**
B	EC145 Walter Sisulu	Upgrading Burgersdorp Sport Field	9 318	-	-
Total: Joe Gqabi Municipalities			**9 318**	**-**	**-**
B	EC153 Ngquza Hill	Completion of Zone 5 Sport field	5 591	-	-
B	EC157 King Sabata Dalindyebo	Constrcution of Zimbane Sport Field	839	-	-
Total: O.R. Tambo Municipalities			**6 429**	**-**	**-**
B	EC441 Matatiele	Upgrading of Mahangwe Sport Facility	9 318	-	-
Total: Alfred Nzo Municipalities			**9 318**	**-**	**-**
Total: Eastern Cape Municipalities			**64 012**	**-**	**-**
B	FS181 Masilonyana	Refurbishment & upgrading of Masilo Sport Facility in Theunissen	9 318	-	-
B	FS183 Tswelopele	Upgrading of the Phahameng Stadium Phase 2	5 591	-	-
Total: Lejweleputswa Municipalities			**14 908**	**-**	**-**
B	FS192 Dihlabeng	Upgrading of Bakenpark Swimming Pool	9 318	-	-
B	FS193 Nketoana	Upgrading & refurbishment of Mamafubedu Sports Facility	9 318	-	-
Total: Thabo Mofutsanyana Municipalities			**18 635**	**-**	**-**
B	FS204 Metsimaholo	Construction of Refengkgotso Sports Complex Phase 2	9 318	-	-
B	FS205 Mafube	Upgrading of Namahadi-Zomba Sport Ground	9 318	-	-
Total: Fezile Dabi Municipalities			**18 635**	**-**	**-**
Total: Free State Municipalities			**52 178**	**-**	**-**
B	GT422 Midvaal	Construction of Hockey stadium (Feasibility study)	932	-	-
Total: Sedibeng Municipalities			**932**	**-**	**-**
Total: Gauteng Municipalities			**932**	**-**	**-**
KWAZULU-NATAL					
B	KZN222 uMngeni	Construction of National Rowing Center	18 635	-	-
B	KZN224 iMpendle	Upgrading of Impendle Sport Field Phase 2-Ward 4	9 131	-	-
B	KZN226 Mkhambathini	Construction of Nkanyezini Sportsfield- Ward 3	9 318	-	-
Total: uMgungundlovu Municipalities			**37 084**	**-**	**-**
B	KZN237 iNkosi Langalibalele	Upgrade of Lambert Park Sports Facility	9 318	-	-
Total: uThukela Municipalities			**9 318**	**-**	**-**
B	KZN253 eMadlangeni	Upgrade of Ward 2 sport field	2 329	-	-
Total: Amajuba Municipalities			**2 329**	**-**	**-**
B	KZN261 eDumbe	Rehabilitation of the Regional Sportsfield in eDumbe	9 318	-	-
Total: Zululand Municipalities			**9 318**	**-**	**-**
B	KZN281 uMfolozi	Construction of Ndzalabantu sport field phase 2	2 329	-	-
B	KZN285 Mthonjaneni	Upgrade of Mthonjaneni Multi Complex Sports Centre	5 591	-	-
B	KZN286 Nkandla	Upgrade of Nkandla Municipal Sport Complex	9 318	-	-
Total: King Cetshwayo Municipalities			**17 238**	**-**	**-**
Total: KwaZulu-Natal Municipalities			**75 286**	**-**	**-**
LIMPOPO					
B	LIM331 Greater Giyani	Refurbishment of Gawula Sport Field	7 454	-	-
B	LIM332 Greater Letaba	Refurbishment of Mokwakwaila Stadium	1 491	-	-
Total: Mopani Municipalities			**8 945**	**-**	**-**
B	LIM345 Collins Chabane	Construction of Makuleke ward 33 Smart Sport Field	9 318	-	-
Total: Vhembe Municipalities			**9 318**	**-**	**-**
B	LIM353 Molemole	Construction of Morebeng Combi- Courts	4 659	-	-
Total: Capricorn Municipalities			**4 659**	**-**	**-**
Total: Limpopo Municipalities			**22 921**	**-**	**-**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
B	MP301	Chief Albert Luthuli	Upgrading of Mayflower Sport Field	9 318	-	-
B	MP302	Msukaligwa	Lothair - Silindile Sport Field	9 318	-	-
B	MP303	Mkhondo	Refurbisment of Amsterdam Sport Facilty	9 318	-	-
C	DC30	Gert Sibande District Municipality	Completion of Siyathemba Sport Field	13 045	-	-
Total: Gert Sibande Municipalities				**40 997**	**-**	**-**
B	MP314	Emakhazeni	Construction of sakhelwe Sport Field	5 591	-	-
B	MP315	Thembisile Hani	Upgrading of Solomon Mahlangu stadium	6 429	-	-
B	MP316	Dr JS Moroka	Upgrading of Nokaneng Sport Field	4 659	-	-
Total: Nkangala Municipalities				**16 678**	**-**	**-**
Total: Mpumalanga Municipalities				**57 676**	**-**	**-**
NORTHERN CAPE						
B	NC062	Nama Khoi	Upgrading of Matjieskloof Sport facility	9 318	-	-
B	NC066	Karoo Hoogland	Upgrading of the Fraserberg Sports Facility	9 318	-	-
Total: Namakwa Municipalities				**18 635**	**-**	**-**
B	NC074	Kareeberg	Constructionof Sport Facility in Vanwyksvlei	9 318	-	-
B	NC076	Thembelihle	Upgrade of the Strydenburg sports facility	9 318	-	-
Total: Pixley Ka Seme Municipalities				**18 635**	**-**	**-**
B	NC086	Kgatelopele	Upgrade & refurbishment of the Kuilsville Sports Facility	9 318	-	-
Total: Z.F. Mgcawu Municipalities				**9 318**	**-**	**-**
B	NC453	Gamagara	Construction of high-performance swimming pool centre in Kathu (Feasibility st	932	-	-
Total: John Taolo Gaetsewe Municipalities				**932**	**-**	**-**
					-	-
Total: Northern Cape Municipalities				**47 520**		
NORTH WEST					-	-
B	NW371	Moretele	The upgrading and refurbishment of Maubane Sports Complex	9 318		
Total: Bojanala Platinum Municipalities				**9 318**	**-**	**-**
B	NW383	Mafikeng	Mmabatho tennis stadium	27 953	-	-
B	NW385	Ramotshere Moiloa	Construction of Motswedi Sport Facility	9 318	-	-
Total: Ngaka Modiri Molema Municipalities				**37 270**	**-**	**-**
					-	-
Total: North West Municipalities				**46 588**		
WESTERN CAPE					-	-
B	WC011	Matzikama	Construction of Doring Bay Sports Facility	12 113		
B	WC013	Bergrivier	Construction of the Pella Park B-field, Porterville	9 318	-	-
Total: West Coast Municipalities				**21 430**	**-**	**-**
B	WC031	Theewaterskloof	Upgrading of the Pineview Sports Facility	4 659		
Total: Overberg Municipalities				**4 659**	**-**	**-**
B	WC042	Hessequa	Construction of Recreational pool in Theronsville, Albertinia	9 318	-	-
B	WC043	Mossel Bay	Kwanonqaba, Barcelona Sport Facility	9 318	-	-
B	WC047	Bitou	Construction of Kwanokuthula Sports Facility	9 318	-	-
Total: Garden Route Municipalities				**27 953**	**-**	**-**
					-	-
Total: Western Cape Municipalities				**54 042**		
Unallocated				-	- 452 000	- 452 000
National Total				**421 155**	**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 2026/27	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE						
A	BUF	Buffalo City	52	4 024	-	-
A	NMA	Nelson Mandela Bay	38	2 929	-	-
B	EC101	Dr Beyers Naude	18	1 398	-	-
B	EC102	Blue Crane Route	18	1 369	-	-
B	EC104	Makana	18	1 365	-	-
B	EC105	Ndlambe	21	1 593	-	-
B	EC106	Sundays River Valley	19	1 484	-	-
B	EC108	Kouga	26	2 006	-	-
B	EC109	Kou-Kamma	20	1 559	-	-
C	DC10	Sarah Baartman District Municipality	17	1 306	-	-
Total: Sarah Baartman Municipalities			**157**	**12 080**	**-**	**-**
B	EC121	Mbhashe	32	2 425	-	-
B	EC122	Mnquma	26	2 010	-	-
B	EC123	Great Kei	18	1 351	-	-
B	EC124	Amahlathi	25	1 949	-	-
B	EC126	Ngqushwa	22	1 661	-	-
B	EC129	Raymond Mhlaba	28	2 116	-	-
C	DC12	Amathole District Municipality	26	2 016	-	-
Total: Amathole Municipalities			**177**	**13 528**	**-**	**-**
B	EC131	Inxuba Yethemba	29	2 248	-	-
B	EC135	Intsika Yethu	29	2 243	-	-
B	EC136	Emalahleni	23	1 803	-	-
B	EC137	Dr. A.B. Xuma	28	2 124	-	-
B	EC138	Sakhisizwe	21	1 634	-	-
B	EC139	Enoch Mgijima	38	2 949	-	-
C	DC13	Chris Hani District Municipality	31	2 394	-	-
Total: Chris Hani Municipalities			**199**	**15 395**	**-**	**-**
B	EC141	Elundini	30	2 320	-	-
B	EC142	Senqu	29	2 218	-	-
B	EC145	Walter Sisulu	28	2 171	-	-
C	DC14	Joe Gqabi District Municipality	31	2 401	-	-
Total: Joe Gqabi Municipalities			**118**	**9 110**	**-**	**-**
B	EC153	Ngquza Hill	24	1 824	-	-
B	EC154	Port St Johns	24	1 842	-	-
B	EC155	Nyandeni	24	1 838	-	-
B	EC156	Mhlontlo	26	2 025	-	-
B	EC157	King Sabata Dalindyebo	35	2 676	-	-
C	DC15	O.R. Tambo District Municipality	66	5 059	-	-
Total: O.R. Tambo Municipalities			**199**	**15 264**	**-**	**-**
B	EC441	Matatiele	39	2 988	-	-
B	EC442	Umzimvubu	34	2 625	-	-
B	EC443	Winnie Madikizela-Mandela	38	2 944	-	-
B	EC444	Ntabankulu	35	2 673	-	-
C	DC44	Alfred Nzo District Municipality	39	3 023	-	-
Total: Alfred Nzo Municipalities			**185**	**14 253**	**-**	**-**
Total: Eastern Cape Municipalities			**1 125**	**86 583**	**-**	**-**

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 2026/27	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
FREE STATE						
A	MAN	Mangaung	28	2 158	-	-
B	FS161	Letsemeng	17	1 320	-	-
B	FS162	Kopanong	18	1 348	-	-
B	FS163	Mohokare	16	1 269	-	-
B	FS164	New Municipality	-	-	-	-
C	DC16	Xhariep District Municipality	17	1 344	-	-
Total: Xhariep Municipalities			**68**	**5 281**	**-**	**-**
B	FS181	Masilonyana	20	1 500	-	-
B	FS182	Tokologo	18	1 372	-	-
B	FS183	Tswelopele	21	1 601	-	-
B	FS184	Matjhabeng	30	2 306	-	-
B	FS185	Nala	18	1 391	-	-
C	DC18	Lejweleputswa District Municipality	-	-	-	-
Total: Lejweleputswa Municipalities			**107**	**8 170**	**-**	**-**
B	FS191	Setsoto	26	2 003	-	-
B	FS192	Dihlabeng	23	1 791	-	-
B	FS193	Nketoana	22	1 728	-	-
B	FS194	Maluti-a-Phofung	30	2 289	-	-
B	FS195	Phumelela	19	1 487	-	-
B	FS196	Mantsopa	19	1 453	-	-
C	DC19	Thabo Mofutsanyana District Municipality	24	1 879	-	-
Total: Thabo Mofutsanyana Municipalities			**163**	**12 630**	**-**	**-**
B	FS201	Moqhaka	18	1 421	-	-
B	FS203	Ngwathe	34	2 622	-	-
B	FS204	Metsimaholo	21	1 594	-	-
B	FS205	Mafube	17	1 329	-	-
C	DC20	Fezile Dabi District Municipality	18	1 347	-	-
Total: Fezile Dabi Municipalities			**108**	**8 313**	**-**	**-**
Total: Free State Municipalities			**474**	**36 552**	**-**	**-**
GAUTENG						
A	EKU	City of Ekurhuleni	198	15 269	-	-
A	JHB	City of Johannesburg	70	5 361	-	-
A	TSH	City of Tshwane	166	12 798	-	-
B	GT421	Emfuleni	51	3 891	-	-
B	GT422	Midvaal	28	2 177	-	-
B	GT423	Lesedi	18	1 423	-	-
C	DC42	Sedibeng District Municipality	23	1 739	-	-
Total: Sedibeng Municipalities			**120**	**9 230**	**-**	**-**
B	GT481	Mogale City	21	1 640	-	-
B	GT484	Merafong City	23	1 749	-	-
B	GT485	Rand West City	30	2 284	-	-
C	DC48	West Rand District Municipality	19	1 452	-	-
Total: West Rand Municipalities			**93**	**7 125**	**-**	**-**
Total: Gauteng Municipalities			**647**	**49 783**	**-**	**-**

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 2026/27	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
KWAZULU-NATAL						
A	ETH	eThekwini	97	7 490	-	-
B	KZN212	uMdoni	22	1 664	-	-
B	KZN213	uMzumbe	20	1 509	-	-
B	KZN214	uMuziwabantu	21	1 588	-	-
B	KZN216	Ray Nkonyeni	32	2 434	-	-
C	DC21	Ugu District Municipality	39	3 019	-	-
Total: Ugu Municipalities			**134**	**10 214**	**-**	**-**
B	KZN221	uMshwathi	23	1 774	-	-
B	KZN222	uMngeni	23	1 745	-	-
B	KZN223	Mpofana	19	1 459	-	-
B	KZN224	iMpendle	21	1 582	-	-
B	KZN225	Msunduzi	27	2 096	-	-
B	KZN226	Mkhambathini	28	2 126	-	-
B	KZN227	Richmond	26	1 966	-	-
C	DC22	uMgungundlovu District Municipality	24	1 832	-	-
Total: uMgungundlovu Municipalities			**191**	**14 580**	**-**	**-**
B	KZN235	Okhahlamba	26	2 018	-	-
B	KZN237	iNkosi Langalibalele	21	1 647	-	-
B	KZN238	Alfred Duma	40	3 111	-	-
C	DC23	uThukela District Municipality	28	2 187	-	-
Total: uThukela Municipalities			**115**	**8 963**	**-**	**-**
B	KZN241	eNdumeni	20	1 545	-	-
B	KZN242	Nquthu	22	1 698	-	-
B	KZN244	uMsinga	25	1 960	-	-
B	KZN245	uMvoti	28	2 166	-	-
C	DC24	uMzinyathi District Municipality	65	4 969	-	-
Total: uMzinyathi Municipalities			**160**	**12 338**	**-**	**-**
B	KZN252	Newcastle	28	2 168	-	-
B	KZN253	eMadlangeni	18	1 371	-	-
B	KZN254	Dannhauser	22	1 709	-	-
C	DC25	Amajuba District Municipality	24	1 835	-	-
Total: Amajuba Municipalities			**92**	**7 083**	**-**	**-**
B	KZN261	eDumbe	20	1 507	-	-
B	KZN262	uPhongolo	26	1 984	-	-
B	KZN263	AbaQulusi	38	2 929	-	-
B	KZN265	Nongoma	28	2 159	-	-
B	KZN266	Ulundi	39	2 983	-	-
C	DC26	Zululand District Municipality	70	5 379	-	-
Total: Zululand Municipalities			**221**	**16 941**	**-**	**-**
B	KZN271	uMhlabuyalingana	27	2 081	-	-
B	KZN272	Jozini	33	2 549	-	-
B	KZN275	Inkosi uMtubatuba	24	1 884	-	-
B	KZN276	Big Five Hlabisa	23	1 752	-	-
C	DC27	uMkhanyakude District Municipality	52	3 991	-	-
Total: uMkhanyakude Municipalities			**159**	**12 257**	**-**	**-**
B	KZN281	uMfolozi	29	2 264	-	-
B	KZN282	uMhlathuze	43	3 342	-	-
B	KZN284	uMlalazi	33	2 567	-	-
B	KZN285	Mthonjaneni	25	1 959	-	-
B	KZN286	Nkandla	36	2 749	-	-
C	DC28	King Cetshwayo District Municipality	59	4 537	-	-
Total: King Cetshwayo Municipalities			**225**	**17 418**	**-**	**-**
B	KZN291	Mandeni	20	1 524	-	-
B	KZN292	KwaDukuza	24	1 823	-	-
B	KZN293	Ndwedwe	28	2 156	-	-
B	KZN294	Maphumulo	25	1 946	-	-
C	DC29	iLembe District Municipality	43	3 301	-	-
Total: iLembe Municipalities			**140**	**10 750**	**-**	**-**
B	KZN433	Greater Kokstad	23	1 792	-	-
B	KZN434	Johannes Phumani Phungula	22	1 690	-	-
B	KZN435	uMzimkhulu	34	2 616	-	-
B	KZN436	Dr Nkosazana Dlamini Zuma	24	1 811	-	-
C	DC43	Harry Gwala District Municipality	39	3 007	-	-
Total: Harry Gwala Municipalities			**142**	**10 916**	**-**	**-**
Total: KwaZulu-Natal Municipalities			**1 676**	**128 950**	**-**	**-**

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 2026/27	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
LIMPOPO						
B	LIM331	Greater Giyani	44	3 366	-	-
B	LIM332	Greater Letaba	34	2 597	-	-
B	LIM333	Greater Tzaneen	68	5 211	-	-
B	LIM334	Ba-Phalaborwa	22	1 675	-	-
B	LIM335	Maruleng	20	1 519	-	-
C	DC33	Mopani District Municipality	77	5 929	-	-
Total: Mopani Municipalities			**265**	**20 297**	**-**	**-**
B	LIM341	Musina	25	1 928	-	-
B	LIM343	Thulamela	59	4 521	-	-
B	LIM344	Makhado	43	3 346	-	-
B	LIM345	Collins Chabane	26	1 979	-	-
C	DC34	Vhembe District Municipality	44	3 365	-	-
Total: Vhembe Municipalities			**197**	**15 139**	**-**	**-**
B	LIM351	Blouberg	21	1 616	-	-
B	LIM353	Molemole	18	1 401	-	-
B	LIM354	Polokwane	68	5 254	-	-
B	LIM355	Lepele-Nkumpi	27	2 107	-	-
C	DC35	Capricorn District Municipality	36	2 754	-	-
Total: Capricorn Municipalities			**170**	**13 132**	**-**	**-**
B	LIM361	Thabazimbi	17	1 309	-	-
B	LIM362	Lephalale	19	1 461	-	-
B	LIM366	Bela-Bela	21	1 632	-	-
B	LIM367	Mogalakwena	23	1 740	-	-
B	LIM368	Modimolle-Mookgophong	25	1 899	-	-
C	DC36	Waterberg District Municipality	-	-	-	-
Total: Waterberg Municipalities			**105**	**8 041**	**-**	**-**
B	LIM471	Ephraim Mogale	21	1 584	-	-
B	LIM472	Elias Motsoaledi	36	2 771	-	-
B	LIM473	Makhuduthamaga	34	2 590	-	-
B	LIM476	Fetakgomo Tubatse	41	3 168	-	-
C	DC47	Sekhukhune District Municipality	105	8 044	-	-
Total: Sekhukhune Municipalities			**237**	**18 157**	**-**	**-**
Total: Limpopo Municipalities			**974**	**74 766**	**-**	**-**
MPUMALANGA						
B	MP301	Chief Albert Luthuli	40	3 101	-	-
B	MP302	Msukaligwa	36	2 738	-	-
B	MP303	Mkhondo	29	2 251	-	-
B	MP304	Dr Pixley ka Isaka Seme	25	1 903	-	-
B	MP305	Lekwa	20	1 530	-	-
B	MP306	Dipaleseng	19	1 453	-	-
B	MP307	Govan Mbeki	37	2 859	-	-
C	DC30	Gert Sibande District Municipality	24	1 852	-	-
Total: Gert Sibande Municipalities			**230**	**17 687**	**-**	**-**
B	MP311	Victor Khanye	28	2 134	-	-
B	MP312	Emalahleni	53	4 057	-	-
B	MP313	Steve Tshwete	39	2 989	-	-
B	MP314	Emakhazeni	25	1 926	-	-
B	MP315	Thembisile Hani	35	2 679	-	-
B	MP316	Dr JS Moroka	32	2 492	-	-
C	DC31	Nkangala District Municipality	33	2 510	-	-
Total: Nkangala Municipalities			**245**	**18 787**	**-**	**-**
B	MP321	Thaba Chweu	29	2 210	-	-
B	MP324	Nkomazi	59	4 500	-	-
B	MP325	Bushbuckridge	47	3 588	-	-
B	MP326	City of Mbombela	68	5 254	-	-
C	DC32	Ehlanzeni District Municipality	25	1 933	-	-
Total: Ehlanzeni Municipalities			**228**	**17 485**	**-**	**-**
Total: Mpumalanga Municipalities			**703**	**53 959**	**-**	**-**

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 2026/27	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
NORTHERN CAPE						
B	NC061	Richtersveld	17	1 340	-	-
B	NC062	Nama Khoi	22	1 708	-	-
B	NC064	Kamiesberg	-	-	-	-
B	NC065	Hantam	17	1 319	-	-
B	NC066	Karoo Hoogland	-	-	-	-
B	NC067	Khâi-Ma	-	-	-	-
C	DC6	Namakwa District Municipality	17	1 317	-	-
Total: Namakwa Municipalities			**73**	**5 684**	**-**	**-**
B	NC071	Ubuntu	17	1 320	-	-
B	NC072	Umsobomvu	17	1 338	-	-
B	NC073	Emthanjeni	16	1 242	-	-
B	NC074	Kareeberg	17	1 278	-	-
B	NC075	Renosterberg	16	1 255	-	-
B	NC076	Thembelihle	-	-	-	-
B	NC077	Siyathemba	17	1 292	-	-
B	NC078	Siyancuma	18	1 354	-	-
C	DC7	Pixley Ka Seme District Municipality	17	1 275	-	-
Total: Pixley Ka Seme Municipalities			**135**	**10 354**	**-**	**-**
B	NC082	!Kai !Garib	17	1 334	-	-
B	NC084	!Kheis	-	-	-	-
B	NC085	Tsantsabane	16	1 239	-	-
B	NC086	Kgatelopele	17	1 335	-	-
B	NC087	Dawid Kruiper	17	1 292	-	-
C	DC8	Z.F. Mgcawu District Municipality	17	1 274	-	-
Total: Z.F. Mgcawu Municipalities			**84**	**6 474**	**-**	**-**
B	NC091	Sol Plaatjie	44	3 409	-	-
B	NC092	Dikgatlong	18	1 399	-	-
B	NC093	Magareng	18	1 350	-	-
B	NC094	Phokwane	16	1 268	-	-
C	DC9	Frances Baard District Municipality	18	1 352	-	-
Total: Frances Baard Municipalities			**114**	**8 778**	**-**	**-**
B	NC451	Joe Morolong	19	1 446	-	-
B	NC452	Ga-Segonyana	18	1 420	-	-
B	NC453	Gamagara	19	1 463	-	-
C	DC45	John Taolo Gaetsewe District Municipality	17	1 306	-	-
Total: John Taolo Gaetsewe Municipalities			**73**	**5 635**	**-**	**-**
Total: Northern Cape Municipalities			**479**	**36 925**	**-**	**-**
NORTH WEST						
B	NW371	Moretele	32	2 485	-	-
B	NW372	Madibeng	54	4 155	-	-
B	NW373	Rustenburg	39	2 964	-	-
B	NW374	Kgetlengrivier	19	1 489	-	-
B	NW375	Moses Kotane	22	1 700	-	-
C	DC37	Bojanala Platinum District Municipality	24	1 839	-	-
Total: Bojanala Platinum Municipalities			**190**	**14 632**	**-**	**-**
B	NW381	Ratlou	22	1 674	-	-
B	NW382	Tswaing	20	1 538	-	-
B	NW383	Mafikeng	23	1 776	-	-
B	NW384	Ditsobotla	17	1 301	-	-
B	NW385	Ramotshere Moiloa	25	1 915	-	-
C	DC38	Ngaka Modiri Molema District Municipality	45	3 445	-	-
Total: Ngaka Modiri Molema Municipalities			**152**	**11 649**	**-**	**-**
B	NW392	Naledi	34	2 628	-	-
B	NW393	Mamusa	19	1 456	-	-
B	NW394	Greater Taung	26	2 006	-	-
B	NW396	Lekwa-Teemane	20	1 522	-	-
B	NW397	Kagisano-Molopo	29	2 227	-	-
C	DC39	Dr Ruth Segomotsi Mompati District Municipality	22	1 692	-	-
Total: Dr Ruth Segomotsi Mompati Municipalities			**150**	**11 531**	**-**	**-**
B	NW403	City of Matlosana	26	1 999	-	-
B	NW404	Maquassi Hills	19	1 444	-	-
B	NW405	JB Marks	24	1 882	-	-
C	DC40	Dr Kenneth Kaunda District Municipality	20	1 568	-	-
Total: Dr Kenneth Kaunda Municipalities			**89**	**6 893**	**-**	**-**
Total: North West Municipalities			**581**	**44 705**	**-**	**-**

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 2026/27	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
WESTERN CAPE						
A	CPT	City of Cape Town	267	20 547	-	-
B	WC011	Matzikama	21	1 601	-	-
B	WC012	Cederberg	19	1 452	-	-
B	WC013	Bergrivier	22	1 656	-	-
B	WC014	Saldanha Bay	20	1 513	-	-
B	WC015	Swartland	28	2 121	-	-
C	DC1	West Coast District Municipality	21	1 605	-	-
Total: West Coast Municipalities			**131**	**9 948**	**-**	**-**
B	WC022	Witzenberg	26	1 976	-	-
B	WC023	Drakenstein	38	2 925	-	-
B	WC024	Stellenbosch	36	2 731	-	-
B	WC025	Breede Valley	35	2 662	-	-
B	WC026	Langeberg	29	2 267	-	-
C	DC2	Cape Winelands District Municipality	20	1 524	-	-
Total: Cape Winelands Municipalities			**184**	**14 085**	**-**	**-**
B	WC031	Theewaterskloof	25	1 912	-	-
B	WC032	Overstrand	27	2 062	-	-
B	WC033	Cape Agulhas	22	1 655	-	-
B	WC034	Swellendam	19	1 456	-	-
C	DC3	Overberg District Municipality	20	1 534	-	-
Total: Overberg Municipalities			**113**	**8 619**	**-**	**-**
B	WC041	Kannaland	17	1 343	-	-
B	WC042	Hessequa	18	1 378	-	-
B	WC043	Mossel Bay	42	3 211	-	-
B	WC044	George	30	2 312	-	-
B	WC045	Oudtshoorn	24	1 874	-	-
B	WC047	Bitou	19	1 469	-	-
B	WC048	Knysna	18	1 350	-	-
C	DC4	Garden Route District Municipality	23	1 774	-	-
Total: Garden Route Municipalities			**191**	**14 711**	**-**	**-**
B	WC051	Laingsburg	18	1 387	-	-
B	WC052	Prince Albert	16	1 246	-	-
B	WC053	Beaufort West	19	1 478	-	-
C	DC5	Central Karoo District Municipality	18	1 350	-	-
Total: Central Karoo Municipalities			**71**	**5 461**	**-**	**-**
Total: Western Cape Municipalities			**957**	**73 371**	**-**	**-**
Unallocated			-	-	613 761	632 836
National Total			**7 616**	**585 594**	**613 761**	**632 836**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE											
BFI	Nelson Mandela Bay - Water Security Programme	A	NMA	Nelson Mandela Bay Metropolitan Municipality	Nelson Mandela Bay Metropolitan Municipality	91 589	-	-	-	-	-
		Total: Nelson Mandela Bay Metropolitan Municipality				**91 589**	**-**	**-**	**-**	**-**	**-**
RS42	James Kleynhans Bulk Water Supply	B	EC104	Makana Local Municipality	Makana Local Municipality	-	-	-	70 028	100 000	68 180
RL01	Ndlambe Bulk Water Supply	B	EC105	Ndlambe Local Municipality	Ndlambe Local Municipality	-	-	-	33 000	-	-
RS02	Sundays River - Paterson Bulk Water Supply	B	EC106	Sundays River Valley Local Municipality	Sundays River Valley Local Municipality	-	-	-	8 000	2 000	-
		Total Sarah Baartman Municipalities				**-**	**-**	**-**	**111 028**	**102 000**	**68 180**
RL	Sundwana Water Supply	C	DC12	Amathole District Municipality	Mbhashe Local Municipality	-	-	-	-	10 500	10 971
RS	Ngqamakhwe Bulk Water Supply (Butterworth Water Transfer Scheme)	C	DC12	Amathole District Municipality	Mnquma Local Municipality	-	-	-	90 401	119 071	55 592
		Total Amathole Municipalities				**-**	**-**	**-**	**90 401**	**129 571**	**66 563**
RBIG 5B	Upgrading of Tsomo Water Treatment Works	C	DC13	Chris Hani District Municipality	Intsika Yethu Local Municipality	-	120 000	125 388	-	-	-
RBIG 5B	Upgrading ofLubisi Water Treatment Works	C	DC13	Chris Hani District Municipality	Emalahleni Local Municipality		143 079	149 503	-	-	-
		Total Chris Hani Municipalities				**-**	**263 079**	**274 891**	**-**	**-**	**-**
RBIG 5B	Lady Grey Bulk Water Supply	C	DC14	Joe Gqabi District Municipality	Senqu Local Municipality	-	70 000	73 143	-	-	-
RBIG 5B	Sterkspruit Waste Water Treatment Works	C	DC14	Joe Gqabi District Municipality	Senqu Local Municipality	80 000	133 000	168 972	-	-	-
		Total: Joe Gqabi Municipalities				**80 000**	**203 000**	**242 115**	**-**	**-**	**-**
RBIG 5B	O.R. Tambo, Mthatha, King Sabato Dalinyebo Water Supply	C	DC15	O.R. Tambo District Municipality	King Sabata Dalindyebo Local Municipality	121 701		-	-	-	-
		Total OR Tambo Municipalities				**121 701**	**-**	**-**	**-**	**-**	**-**
RS48	Kinira Regional Bulk Water Supply Scheme	C	DC44	Alfred Nzo District Municipality	Matatiele Local Municipality	-	-	-	-	10 500	5 481
RS50	Mkemane Regional Bulk Water Supply Scheme	C	DC44	Alfred Nzo District Municipality	Umzimvubu Local Municipality	-	-	-	-	-	5 481
RBIG 6B	Greater Mbizana Regional Bulk Water Supply Scheme	C	DC44	Alfred Nzo District Municipality	Winnie Madikizela-Mandela	-	-	-	-	-	5 481
RS43	Ntabankulu Bulk Water Supply	C	DC44	Alfred Nzo District Municipality	Ntabankulu Local Municipality	-	-	-	100 000	105 929	207 602
		Total: Alfred Nzo Municipalities				**-**	**-**	**-**	**100 000**	**116 429**	**224 045**
		Total: Eastern Cape Municipalities				**293 290**	**466 079**	**517 006**	**301 429**	**348 000**	**358 788**
FREE STATE											
RBIG 5B	Rouxville/Smithfield/Zastron Bulk Water Supply (Mohakare)	B	FS163	Mohokare Local Municipality	Mohokare Local Municipality	-	-	-	23 580	4 000	-
		Total: Xhariep Municipalities				**-**	**-**	**-**	**23 580**	**4 000**	**-**
RS52	Masilonyana Bulk Water Supply	B	FS181	Masilonyana Local Municipality	Masilonyana Local Municipality	-	-	-	13 000	54 915	57 381
RL24	Tokologo Regional Water Supply 2	B	FS182	Tokologo Local Municipality	Tokologo Local Municipality	100 000	103 693	108 349	20 760	-	-
RL34	Mathjabeng Bulk Sewer (Welkom) - Ministerial Intervention	B	FS184	Matjhabeng Local Municipality	Matjhabeng Local Municipality	-	-	-	265 499	259 832	272 642
		Total: Lejweleputswa Municipalities				**100 000**	**103 693**	**108 349**	**299 259**	**314 747**	**330 023**
RBIG 5B	Setsoto Bulk Water Supply	B	FS191	Setsoto Local Municipality	Setsoto Local Municipality	150 000	102 596	103 489	-	-	-
RBIG 5B	Refurbishment of Ficksburg WWTW	B	FS191	Setsoto Local Municipality	Setsoto Local Municipality	80 509	10 000	-	-	-	-
RL25	Dihlabeng Bulk Water Supply - Phase 3	B	FS192	Dihlabeng Local Municipality	Dihlabeng Local Municipality	200 000	103 694	128 350	30 000	-	-
RBIG 5B	Lindley Bulk Sewer Services	B	FS193	Nketoana Local Municipality	Nketoana Local Municipality	-	-	-	20 570	42 599	44 512
RL12	Nketoana Regional Water Supply	B	FS193	Nketoana Local Municipality	Nketoana Local Municipality	-	-	-	66 000	120 000	131 657
RS150	Maluti-a-Phofung Local Municipality Intervention	B	FS194	Maluti-a-Phofung Local Municipality	Maluti-a-Phofung Local Municipality	-	-	-	86 989	164 838	171 097
RBIG 6B	Refurbishment of Fika-Patso Waste Water Treatment Works	B	FS194	Maluti-a-Phofung Local Municipality	Maluti-a-Phofung Local Municipality	-	-	-	8 000	23 226	24 269
RBIG 5B	Construction of the reversal gravity pipeline in Qwaqwa	B	FS194	Maluti-a-Phofung Local Municipality	Maluti-a-Phofung Local Municipality				10 000	-	-
RS19	Maluti-a-Phofung Bulk Water Supply - Phase 2/4	B	FS194	Maluti-a-Phofung Local Municipality	Maluti-a-Phofung Local Municipality	-	-	-	20 000	21 000	21 943
RBIG 6B	Mantsopa Ladybrand WWTWs	B	FS196	Mantsopa Local Municipality	Mantsopa Local Municipality	-	-	-	14 500	-	-
		Total: Thabo Mofutsanyana Municipalities				**430 509**	**216 290**	**231 839**	**256 059**	**371 663**	**393 478**
RBIG 6B	Refurbishment of Kroonstad WWTWs Phase 2	B	FS201	Moqhaka Local Municipality	Moqhaka Local Municipality	-	-	-	42 040	-	-
RBIG 5B	Ngwathe Bulk Water Supply - Phase 2	B	FS203	Ngwathe Local Municipality	Ngwathe Local Municipality	106 112	50 000	17 233	-	-	-
RBIG 5B	Parys WWTW Upgrade	B	FS203	Ngwathe Local Municipality	Ngwathe Local Municipality		80 000	90 000	-	-	-
RBIG 5B	Koppies WTW upgrade	B	FS203	Ngwathe Local Municipality	Ngwathe Local Municipality		50 000	60 000	-	-	-
RBIG 6B	Frankfort Waste Water Treatment Works Upgrade	B	FS205	Mafube Local Municipality	Mafube Local Municipality	-	-	-	51 762	31 500	32 914
RBIG 6B	Mafube Bulk Water & Sanitation (Cornelia Reservoir & Outfall Sewer)	B	FS205	Mafube Local Municipality	Mafube Local Municipality	-	-	-	23 000	2 000	-
		Total: Fezile Dabi Municipalities				**106 112**	**180 000**	**167 233**	**116 802**	**33 500**	**32 914**
		Total: Free State Municipalities				**636 621**	**499 983**	**507 421**	**695 700**	**723 910**	**756 415**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
GAUTENG											
RBIG 6B	Rietspruit Waste Water Treatment Works- 50Ml/day upgrade (Sedibeng RWWTW)	B	GT421	Emfuleni Local Municipality	Emfuleni, Midvaal and City of Johannesberg	-	-	-	180 000	140 000	240 000
RBIG 6B	Leeuwkuil Waste Water Treatment Works 15 Ml/day upgrade (Sedibeng RWWTW)	B	GT421	Emfuleni Local Municipality	Emfuleni, Midvaal and City of Johannesberg	-	-	-	120 000	220 000	120 000
RM05	Sebokeng Waste Water Treatment Works	B	GT421	Emfuleni Local Municipality	Emfuleni Local Municipality	-	-	-	250 000	180 000	246 384
RL62	Vaal River System Intervention	B	GT421	Emfuleni Local Municipality	Emfuleni Local Municipality	-	-	-	51 221	62 122	56 504
RL04	Meyerton Waste Water Treatment Works	B	GT422	Midvaal Local Municipality	Midvaal Local Municipality	-	-	-	45 000	-	-
		Total: Sedibeng Municipalities				**-**	**-**	**-**	**646 221**	**602 122**	**662 888**
RM06	Westonaria Regional Bulk Scheme Sanitation (Zuurbekom & Hannes van Niekerk)	B	GT485	Rand West City Local Municipality	Rand West City Local Municipality	-	-	-	55 000	100 000	60 343
RS56	Mohlakeng Pump Station and Sewer Outfall	B	GT485	Rand West City Local Municipality	Rand West City Local Municipality	-	-	-	45 000	47 250	49 372
		Total: West Rand Municipalities				**-**	**-**	**-**	**100 000**	**147 250**	**109 715**
		Total: Gauteng Municipalities				**-**	**-**	**-**	**746 221**	**749 372**	**772 603**
KWAZULU-NATAL											
RBIG 5B	Mandlakazi Bulk Water Supply	C	DC26	Zululand District Municipality	uPhongolo and Nongoma Local Municipalities	370 085	308 278	372 120	-	-	-
		Total: Zululand Municipalities				**370 085**	**308 278**	**372 120**	**-**	**-**	**-**
RBIG 5B	Greater Mthonjaneni Bulk Water Supply	C	DC28	King Cetshwayo District Municipality	Mthonjaneni and Nkandla Local Municipalities	179 356	308 278	322 119	-	-	-
		Total: King Cetshwayo Municipalities				**179 356**	**308 278**	**322 119**	**-**	**-**	**-**
		Total: KwaZulu-Natal Municipalities				**549 441**	**616 556**	**694 239**	**-**	**-**	**-**
LIMPOPO											
RBIG 6B	Giyani Water Treatment Works Upgrade - Phase 2 (Nsami)	C	DC33	Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	85 500	183 583	191 826
RM08	Giyani Water Services	C	DC33	Mopani District Municipality	Greater Giyani Local Municipality	-	-	-	10 181	-	-
RL29	Mametja Sekororo Bulk Water Supply	C	DC33	Mopani District Municipality	Maruleng Local Municipality	-	-	-	176 998	140 278	156 934
RS135	Bambanana Pipeline - Phase 1	C	DC33	Mopani District Municipality	Maruleng Local Municipality	-	-	-	228 795	208 000	217 339
		Total: Mopani Municipalities				**-**	**-**	**-**	**501 474**	**531 861**	**566 099**
RBIG 6B	Nandoni Water Treatment Works Upgrade	C	DC34	Vhembe District Municipality	Makhado Local Municipality	-	-	-	181 429	265 000	267 285
		Total: Vhembe Municipalities				**-**	**-**	**-**	**181 429**	**265 000**	**267 285**
BFI	Polokwane Regional Wastewater Treatment Works	B	LIM354	Polokwane Local Municipality	Polokwane Local Municipality	688 100	869 600	560 800	-	-	-
		Total: Capricon Municipalities				**688 100**	**869 600**	**560 800**	**-**	**-**	**-**
RM04	Mogalakwena Bulk Water Supply	B	LIM367	Waterberg District Municipality	Mogalakwena Local Municipality	-	-	-	30 000	-	-
		Total: Waterberg Municipalities				**-**	**-**	**-**	**30 000**	**-**	**-**
RM12	Nebo Bulk Water Supply	C	DC47	Sekhukhune District Municipality	Tubatse Local Municipality and	-	-	-	69 819	-	-
		Total: Sekhukhune Municipalities				**-**	**-**	**-**	**69 819**	**-**	**-**
		Total: Limpopo Municipalities				**688 100**	**869 600**	**560 800**	**782 722**	**796 861**	**833 384**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
MPUMALANGA											
RBIG 5B	Empul/Methu/Amster Bulk Water Supply	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	175 887	79 744	83 325	-	-	-
RBIG 5B	Upgrading of Carolina Waste Water Treatment Works	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	25 000	-	-	-	-	-
RBIG 5B	Chief Albert Luthuli Bulk Water Project	B	MP301	Chief Albert Luthuli Local Municipality	Chief Albert Luthuli Local Municipality	20 000	155 423	162 401	-	-	-
RBIG 5B	Msukalingwa Regional Bulk Water Supply - Phase1	B	MP302	Msukaligwa Local Municipality	Msukaligwa Local Municipality	145 000	100 000	154 490	-	-	-
RBIG 5B	Ermelo Waste Water Treatment Works	B	MP302	Msukaligwa Local Municipality	Msukaligwa Local Municipality	135 000	50 000	52 245	-	-	-
RBIG 6B	Amsterdam and Sheepmore Bulk Water Scheme	B	MP303	Mkhondo Local Municipality	Mkhondo and Msukaligwa Local Municipality	-	-	-	70 000	30 110	-
RS153	Lekwa Waster Supply (Re-purposing/Operations)	B	MP305	Lekwa Local Municipality	Lekwa Local Municipality	-	-	-	10 000	59 072	61 724
RS155	Lekwa Waste Services	B	MP305	Lekwa Local Municipality	Lekwa Local Municipality	-	-	-	-	5 200	5 433
RL53	Balf/Siyat/Greyl/Willem/Nthor Bulk Water Supply	B	MP306	Dipaleseng Local Municipality	Dipaleseng Local Municipality	-	-	-	-	31 200	32 601
RBIG 6B	Embalenhle Bulk Sewer and Waste Water Treatment Works Refurbishment and Upgrading	B	MP307	Goven Mbeki Local Municipality	Goven Mbeki Local Municipality	-	-	-	4 598	10 400	10 867
		Total: Gert Sibande Municipalities				**500 887**	**385 167**	**452 461**	**84 598**	**135 982**	**110 625**
RBIG 5B	Emalahleni RBWS (Conditional Assessment)	B	MP312	Emalahleni Local Municipality	Emalahleni Local Municipality	50 000	-	-	-	-	-
RBIG 5B	Refurbishment and Upgrading of Boskrans Waste Water Treatment Works	B	MP313	Steve Tshwete Local Municipality	Steve Tshwete Local Municipality		40 000	41 796	-	-	-
RBIG 5B	Refurbishment and Upgrading of Kwazamokhule Waste Water Treatment Works	B	MP313	Steve Tshwete Local Municipality	Steve Tshwete Local Municipality	-	30 000	31 347	-	-	-
RL35	Thembisile Water Scheme (Loskop)	B	MP315	Thembisile Hani Local Municipality	Thembisile Local Municipality	-	-	-	220 000	138 000	198 452
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	-	-	-	-	10 400	10 867
		Total: Nkangala Municipalities				**50 000**	**70 000**	**73 143**	**220 000**	**148 400**	**209 319**
RBIG 5B	Thaba Chweu Regional Bulk Water Supply (Leroro, Matibidi, Moremela)	B	MP321	Thaba Chweu	Thaba Chweu	-	30 000	31 347	-	-	-
RS37	Driekoppies Upgrading	B	MP324	Nkomazi Local Municipality	Nkomazi Local Municipality	-	-	-	81 040	100 000	50 000
RS30	Upgrade of KaMhlutshwa Waste Water Treatment Works (Nyathi)	B	MP324	Nkomazi Local Municipality	Nkomazi Local Municipality	-	30 600	31 974	-	-	-
RBIG 5B	Upgrading of Mkhuhlu Waste Water Treatment Works	B	MP325	Bushbuckridge Local Municipality	Bushbuckridge Local Municipality	-	40 000	41 796	-	-	-
		Total: Ehlanzeni Municpalities				**-**	**100 600**	**105 117**	**81 040**	**100 000**	**50 000**
		Total: Mpumalanga Municipalities				**550 887**	**555 767**	**630 721**	**385 638**	**384 382**	**369 944**
NORTHERN CAPE											
RS28	Upgrading of Upington /Kameelmont Wasterwater treatment works	B	NC087	Dawid Kruiper Local Municipallity	Dawid Kruiper Local Municipallity	-	-	-	90 000	69 300	73 592
		Total: Z.F. Mgcawu Municipalities					**-**	**-**	**90 000**	**69 300**	**73 592**
BFI	Sol Plaatjie Local Municipality - Integrated Bulk Supply System Intervention	B	NC091	Sol Plaatje Local Municipality	Sol Plaatje Local Municipality	579 000	490 000	254 000	-	-	-
	Warrenton Waste Water Treatment Works	B	NC093	Magareng Local Municipality	Magareng Local Municipality	-	-	-	15 000	-	-
		Total: Frances Baard Municipalities				**579 000**	**490 000**	**254 000**	**15 000**	**-**	**-**
RBIG6b	Kathu Bulk Water Supply: Seshengu Bulk Water Supply and Bulk Storage	B	NC453	Gamagara Local Municipality	Gamagara Local Municipality	**-**	**-**	**-**	**-**	10 700	10 000
		Total: John Taolo Gaetsewe Municipalities				-	-	-	**-**	**10 700**	**10 000**
		Total: Northern Cape Municipalities				**579 000**	**490 000**	**254 000**	**105 000**	**80 000**	**83 592**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
NORTH WEST											
RL15	Moretele South Bulk Water Supply (Klipdrift)	B	NW371	Moretele Local Municipality	Moretele Local Municipality	-	-	-	-	75 152	78 526
RL09	Madibeng Bulk Water Supply (Brits)	B	NW372	Madibeng Local Municipality	Madibeng Local Municipality	-	-	-	58 112	29 236	30 549
		Total: Bojanala Platinum Municipalities				**-**	**-**	**-**	**58 112**	**104 388**	**109 075**
RS32	Ratlou Bulk Water Supply	C	DC38	Ngaka Modiri Molema Local Municipality	Ratlou Local Municipality	-	-	-	-	10 400	10 867
RL33	Mafikeng South Bulk Water Supply	C	DC38	Ngaka Modiri Molema Local Municipality	Mafikeng Local Municipality	-	-	-	140 000	54 080	56 508
		Total: Ngaka Modiri Molema Municipalities				**-**	**-**	**-**	**140 000**	**64 480**	**67 375**
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	309 041	-	-	-	-	-
RBIG 5B	Greater Mamusa Bulk Water Supply (Phase 1 to 4) - Bloemhof	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Mamusa Local Municipality	56 151	-	-	-	-	-
RBIG 5B	Kagisano Molapo Bulk Water Supply	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molopo Local Municipality	10 336	-	-	-	-	-
RBIG 5B	Tlapeng - Cluster 2	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molopo Local Municipality	3 879	-	-	-	-	-
RBIG 5B	Morokweng BWS - Cluster 4	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molopo Local Municipality	-	126 110	226 338	-	-	-
RBIG 5B	Cluster 2: Bulk water upgrading for Ganyesa Cluster	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molopo Local Municipality	-	50 000	49 155	-	-	-
RBIG 5B	Cluster 5: Bulk water upgrading for Tlakgameng Cluster	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Kagisano-Molopo Local Municipality	-	86 061	95 306	-	-	-
RBIG 5B	Refurbishment & Upgrade of Christiana Water Purification Works & Asbestos Reticulation Replacement	C	DC39	Dr Ruth Segomotsi Mompati District Municipality	Lekwa Teemane Local Municipality	-	104 561	114 016	-	-	-
		Total: Dr Ruth Segomotsi Mompati Municipalities				**379 407**	**366 732**	**484 815**	**-**	**-**	**-**
RS35	Potchefstroom Waste Water Treatment Works upgrade (Tlokwe) - Phase 1 to 5	B	NW405	JB Marks Local Municipality	JB Marks Local Municipality	-	-	-	-	74 880	78 242
		Total: Dr Kenneth Kaunda Municipalities				**-**	**-**	**-**	**-**	**74 880**	**78 242**
		Total: North West Municipalities				**379 407**	**366 732**	**484 815**	**198 112**	**243 748**	**254 692**
WESTERN CAPE											
RS134	Clanwilliam /Lambertsbaai Regional Water Supply and Desalination	B	WC014	Cederberg Local Municipality	Cederberg Local Municipality	-	-	-	-	16 843	17 599
		Total: West Coast Municipalities				**-**	**-**	**-**	**-**	**16 843**	**17 599**
BFI	Drakenstein Local Municipality - Sanitation Infrastructure Project	B	WC023	Drakenstein Local Municipality	Drakenstein Local Municipality	225 000		-	-	-	-
		Total: Cape Winelands Municipalities				**225 000**	**-**	**-**	**-**	**-**	**-**
		Total: Western Cape Municipalities				**225 000**	**-**	**-**	**-**	**16 843**	**17 599**
National Total						**3 901 746**	**3 864 717**	**3 649 002**	**3 214 822**	**3 343 116**	**3 447 017**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
Early Childhood Development Grant			
Eastern Cape	684 319	1 006 676	1 015 881
Free State	333 792	522 150	561 822
Gauteng	855 420	1 263 485	1 282 263
KwaZulu-Natal	769 769	1 161 194	1 206 687
Limpopo	743 503	1 125 849	1 170 418
Mpumalanga	368 570	553 011	571 884
Northern Cape	106 410	159 910	169 789
North West	306 527	435 186	424 127
Western Cape	442 363	675 424	714 551
Total	**4 610 674**	**6 902 886**	**7 117 421**
of which:			
Infrastructure Component			
Eastern Cape	34 499	36 607	37 761
Free State	17 568	18 543	19 077
Gauteng	48 748	51 809	53 486
KwaZulu-Natal	49 114	52 201	53 891
Limpopo	39 064	41 477	42 799
Mpumalanga	20 298	21 455	22 089
Northern Cape	9 409	9 839	10 073
North West	14 670	15 451	15 878
Western Cape	34 217	36 306	37 450
Total: Infrasructure Component	**267 587**	**283 688**	**292 504**
Subsidy Component			
Eastern Cape	649 820	970 069	978 120
Free State	316 224	503 607	542 745
Gauteng	806 672	1 211 676	1 228 777
KwaZulu-Natal	720 655	1 108 993	1 152 796
Limpopo	704 439	1 084 372	1 127 619
Mpumalanga	348 272	531 556	549 795
Northern Cape	97 001	150 071	159 716
North West	291 857	419 735	408 249
Western Cape	408 146	639 118	677 101
Total: Subsidy Component	**4 343 087**	**6 619 198**	**6 824 917**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
District Health Programmes Grant			
Eastern Cape	3 243 220	3 379 704	3 489 272
Free State	1 771 382	1 845 856	1 905 648
Gauteng	6 358 455	6 625 748	6 840 368
KwaZulu-Natal	7 785 465	8 112 811	8 375 628
Limpopo	2 650 569	2 761 302	2 850 302
Mpumalanga	2 723 670	2 837 878	2 929 616
Northern Cape	792 268	825 468	852 137
North West	1 972 463	2 055 075	2 121 445
Western Cape	2 251 705	2 346 285	2 422 236
Total	**29 549 197**	**30 790 127**	**31 786 652**
of which:			
Comprehensive HIV/AIDS Component			
Eastern Cape	2 976 312	3 102 140	3 203 084
Free State	1 592 494	1 659 826	1 713 837
Gauteng	5 709 937	5 951 339	6 144 998
KwaZulu-Natal	7 010 039	7 306 425	7 544 180
Limpopo	2 088 429	2 176 721	2 247 552
Mpumalanga	2 323 055	2 421 269	2 500 058
Northern Cape	666 199	694 366	716 960
North West	1 641 780	1 711 191	1 766 873
Western Cape	1 990 000	2 074 136	2 141 629
Total	**25 998 245**	**27 097 413**	**27 979 171**
District Health Component			
Eastern Cape	266 908	277 564	286 188
Free State	178 888	186 030	191 811
Gauteng	648 518	674 409	695 370
KwaZulu-Natal	775 426	806 386	831 448
Limpopo	562 140	584 581	602 750
Mpumalanga	400 615	416 609	429 558
Northern Cape	126 069	131 102	135 177
North West	330 683	343 884	354 572
Western Cape	261 705	272 149	280 607
Total	**3 550 952**	**3 692 714**	**3 807 481**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
Human Resources and Training Grant			
Eastern Cape	623 758	641 183	663 054
Free State	304 655	318 318	329 175
Gauteng	2 006 712	2 096 702	2 168 228
KwaZulu-Natal	824 774	861 763	891 158
Limpopo	395 971	407 835	421 745
Mpumalanga	299 521	307 989	318 494
Northern Cape	163 702	166 699	172 385
North West	294 646	302 274	312 584
Western Cape	995 246	1 039 877	1 075 352
Unallocated	-	31 337	32 406
Total	**5 908 985**	**6 173 977**	**6 384 581**
of which:			
Statutory Human Resources Component			
Eastern Cape	321 515	335 933	347 389
Free State	131 946	137 863	142 564
Gauteng	886 257	926 004	957 585
KwaZulu-Natal	436 764	456 352	471 915
Limpopo	226 707	236 875	244 953
Mpumalanga	155 229	162 191	167 722
Northern Cape	49 751	51 983	53 756
North West	141 166	147 497	152 527
Western Cape	402 383	420 429	434 767
Total	**2 751 718**	**2 875 127**	**2 973 178**
Training Component			
Eastern Cape	302 243	305 250	315 665
Free State	172 709	180 455	186 611
Gauteng	1 120 455	1 170 698	1 210 643
KwaZulu-Natal	388 010	405 411	419 243
Limpopo	169 264	170 960	176 792
Mpumalanga	144 292	145 798	150 772
Northern Cape	113 951	114 716	118 629
North West	153 480	154 777	160 057
Western Cape	592 863	619 448	640 585
Unallocated	-	31 337	32 406
Total	**3 157 267**	**3 298 850**	**3 411 403**

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 2026/27	National Financial Year		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*
EASTERN CAPE				
Agriculture	16	1 230	-	-
Community Safety	42	3 234	-	-
Co-op Governance and Traditional Affairs	43	3 291	-	-
Economic Development and Environmental Affairs	39	2 975	-	-
Education	466	35 875	-	-
Health	161	12 349	-	-
Human Settlement	38	2 887	-	-
Public Works	118	9 105	-	-
Social Development	113	8 729	-	-
Sports, Recreation, Arts and Culture	40	3 080	-	-
Transport	574	44 184	-	-
Total: Eastern Cape	**1 650**	**126 939**	-	-
FREE STATE				
Agriculture and Rural Development	26	2 020	-	-
Economic, Small Business Development, Tourism and Environmental Affairs	40	3 115	-	-
Education	104	8 007	-	-
Health	133	10 206	-	-
Human Settlement	33	2 567	-	-
Police, Roads and Transport	81	6 241	-	-
Public Works and Infrastructure	70	5 370	-	-
Social Development	82	6 289	-	-
Sports, Arts, Culture and Recreation	39	3 023	-	-
Total: Free State	**608**	**46 838**	-	-
GAUTENG				
Community Safety	89	6 833	-	-
Co-operative Governance and Traditional Affairs	30	2 325	-	-
Environment	83	6 351	-	-
Health	198	15 223	-	-
Human Settlement	41	3 191	-	-
Infrastructure Development	164	12 636	-	-
Roads and Transport	131	10 089	-	-
Social Development	179	13 769	-	-
Sports, Arts, Culture and Recreation	40	3 081	-	-
Total: Gauteng	**1 047**	**80 569**	-	-
KWAZULU-NATAL				
Agriculture and Rural Development	62	4 759	-	-
Community Safety and Liaison	52	3 976	-	-
Co-operative Governance and Traditional Affairs	46	3 549	-	-
Economic Development, Tourism and Environmental Affairs	87	6 680	-	-
Education	270	20 784	-	-
Health	351	27 010	-	-
Human Settlement	28	2 168	-	-
Public Works	60	4 648	-	-
Social Development	186	14 288	-	-
Sport, Arts and Culture	52	3 987	-	-
Transport	761	58 505	-	-
Total: KwaZulu-Natal	**1 955**	**150 354**	-	-
LIMPOPO				
Agriculture and Rural Development	60	4 615	-	-
Economic Development, Environment and Tourism	39	2 980	-	-
Education	211	16 211	-	-
Health	291	22 351	-	-
Public Works, Roads and Infrastructure	157	12 090	-	-
Social Development	64	4 951	-	-
Sports, Arts and Culture	45	3 442	-	-
Transport and Community Safety	31	2 351	-	-
Total: Limpopo	**898**	**68 991**	-	-
MPUMALANGA				
Agriculture, Rural Development, Land and Environmental Affairs	69	5 294	-	-
Community Safety, Security and Liason	50	3 859	-	-
Co-operative Governance, Human Settlements and Traditional Affairs	47	3 606	-	-
Culture, Sports and Recreation	27	2 052	-	-
Economic Development and Tourism	60	4 632	-	-
Education	28	2 161	-	-
Health	132	10 148	-	-
Public Works, Roads and Transport	73	5 584	-	-
Social Development	55	4 212	-	-
Total: Mpumalanga	**541**	**41 548**	-	-

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 2026/27	National Financial Year		
		2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*
NORTHERN CAPE				
Co-operative Governance, Human Settlements and Traditional Affairs	39	3 035	-	-
Economic Development and Tourism	38	2 951	-	-
Education	43	3 311	-	-
Health	135	10 398	-	-
Roads and Public Works	48	3 674	-	-
Social Development	71	5 457	-	-
Sport, Arts and Culture	34	2 608	-	-
Transport, Safety and Liaison	40	3 109	-	-
Total: Northern Cape	**448**	**34 543**	-	-
NORTH WEST				
Agriculture and Rural Development	45	3 428	-	-
Arts, Culture, Sports and Recreation	42	3 245	-	-
Community Safety and Transport Management	46	3 513	-	-
Cooperative Governance and Traditional Affairs	35	2 699	-	-
Economic Development, Environment, Conservation and Tourism	52	3 987	-	-
Education	100	7 657	-	-
Health	145	11 150	-	-
Public Works and Roads	197	15 185	-	-
Social Development	60	4 582	-	-
Total: North West	**722**	**55 446**	-	-
WESTERN CAPE				
Agriculture	35	2 656	-	-
Police Oversight and Community Safety	65	5 006	-	-
Cultural Affairs and Sport	68	5 236	-	-
Education	116	8 894	-	-
Environmental Affairs and Development Planning	42	3 265	-	-
Health and Wellness	123	9 486	-	-
Infrastructure	74	5 655	-	-
Social Development	43	3 290	-	-
Total: Western Cape	**566**	**43 488**	-	-
Unallocated	-	-	681 152	703 119
Grand Total	**8 435**	**648 716**	**681 152**	**703 119**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
School Infrastructure Backlogs Grant			
Eastern Cape	216 877	-	-
Free State	30 000	-	-
Gauteng	-	-	-
KwaZulu-Natal	89 655	-	-
Limpopo	12 500	-	-
Mpumalanga	-	-	-
Northern Cape	98 645	-	-
North West	-	-	-
Western Cape	-	-	-
Unallocated			
Total	**447 677**	**-**	**-**

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	*2026/27 (R'000)*	*2027/28 (R'000)*	*2028/29 (R'000)*
National Health Insurance Indirect Grant			
Eastern Cape	422 172	439 161	452 989
Free State	135 777	141 217	145 637
Gauteng	99 990	103 987	107 230
KwaZulu-Natal	77 409	80 496	82 997
Limpopo	1 162 771	1 143 484	1 178 671
Mpumalanga	207 114	215 431	222 195
Northern Cape	77 409	80 496	82 997
North West	181 050	188 316	194 222
Western Cape	77 409	80 496	82 997
Unallocated	119 218	124 260	128 130
Total	**2 560 319**	**2 597 344**	**2 678 065**
of which:			
Health Facility Revitalisation Component			
Eastern Cape	344 763	358 665	369 992
Free State	58 368	60 721	62 640
Gauteng	22 581	23 491	24 233
KwaZulu-Natal	-	-	-
Limpopo	1 085 362	1 062 988	1 095 674
Mpumalanga	129 705	134 935	139 198
Northern Cape	-	-	-
North West	103 641	107 820	111 225
Western Cape	-	-	-
Total	**1 744 420**	**1 748 620**	**1 802 962**
Health Systems Component			
Eastern Cape	77 409	80 496	82 997
Free State	77 409	80 496	82 997
Gauteng	77 409	80 496	82 997
KwaZulu-Natal	77 409	80 496	82 997
Limpopo	77 409	80 496	82 997
Mpumalanga	77 409	80 496	82 997
Northern Cape	77 409	80 496	82 997
North West	77 409	80 496	82 997
Western Cape	77 409	80 496	82 997
Unallocated	119 218	124 260	128 130
Total	**815 899**	**848 724**	**875 103**

APPENDIX W12

APPENDIX TO SCHEDULE 4, PART A: BREAKDOWN OF RING-FENCED DISASTER FUNDING: PER PROVINCE PER GRANT

(National Financial Years)

APPENDIX W12

APPENDIX TO SCHEDULE 4, PART A: BREAKDOWN OF RING-FENCED DISASTER FUNDING: PER PROVINCE PER GRANT

Province/Grant Name	Ring-Fenced Disaster Allocations		
	National Financial Year		
	2026/27 (R'000)	*2027/28 (R'000)*	*2028/29 (R'000)*
Provincial Roads Maintenance Grant			
Eastern Cape	707 618	-	-
Free State	-	-	-
Gauteng	-	-	-
KwaZulu-Natal	-	-	-
Limpopo	803 940	-	-
Mpumalanga	-	-	-
Northern Cape	-	-	-
North West	-	-	-
Western Cape	-	-	-
Total	**1 511 558**	**-**	**-**

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