



# Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA  
REPUBLIEK VAN SUID AFRIKA

Vol. 616

14 October 2016  
Oktober

No. 40351

**CONVERSION OF ALLOCATIONS, STOPPING  
AND RE-ALLOCATIONS OF TRANSFERS  
FOR MUNICIPAL GRANTS IN TERMS OF THE  
DIVISION OF REVENUE ACT  
(ACT No. 3 OF 2016)**

**N.B. The Government Printing Works will  
not be held responsible for the quality of  
"Hard Copies" or "Electronic Files"  
submitted for publication purposes**

ISSN 1682-5843



9 771682 584003

40351



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



**IMPORTANT NOTICE:**

THE GOVERNMENT PRINTING WORKS WILL NOT BE HELD RESPONSIBLE FOR ANY ERRORS THAT MIGHT OCCUR DUE TO THE SUBMISSION OF INCOMPLETE / INCORRECT / ILLEGIBLE COPY.

**No** FUTURE QUERIES WILL BE HANDLED IN CONNECTION WITH THE ABOVE.

**Contents**

<i>No.</i>		<i>Gazette No.</i>	<i>Page No.</i>
<b>GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS</b>			
<b>National Treasury/ Nasionale Tesourie</b>			
1276	Division of Revenue Act (3/2016): Publication of allocations in terms of sections 19, 20 and 21 of the 2016 DoRA	40351	4

---

**GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS**

---

**NATIONAL TREASURY****NO. 1276****14 OCTOBER 2016**

I, Pravin Gordhan, Minister of Finance, acting in terms of section 16(2) and 26(2) of the Division of Revenue Act, 2016 (Act No. 3 of 2016), hereby publish in the attached Explanatory Memorandum and Schedules:

- (a) The re-allocation of stopped conditional allocations between municipalities in terms of section 19 and 20 of the Division of Revenue Act, 2015, as amended; and
- (b) The conversion of schedule 5B grant to schedule 6B in terms to section 21 of the Division of Revenue Act, 2016 (Act No. 3 of 2016).

For ease of reference only and where applicable, the attached Schedules reflect the main allocations, roll-overs, adjustments and total adjusted allocations.



**PRAVIN GORDHAN, MP**  
**MINISTER OF FINANCE**

## **Explanatory Memorandum to the Allocations set out in the attached schedule**

This *Gazette* is published in terms of the Division of Revenue Act, 2016 (Act No. 3 of 2016) and provides information on conversion of allocations, stopping and re-allocation of funds in terms of Section 19, 20 and 21 of the Division of Revenue Act, 2016.

### ***Stopping and re-allocation of funds between municipalities***

1. Section 19 of DoRA stipulates that National Treasury may in its discretion or at the request of a transferring officer stop a transfers listed in Schedules 4 and 5 pertaining to anticipated under-spending on programmes or allocations in the financial year by municipalities.
2. Following the engagements between the Department of Cooperative Governance (DCoG) and National Treasury, a decision was taken to stop and re-allocate the 2016/17 Municipal Infrastructure Grant allocation (MIG) of Thabazimbi Local Municipality and Makana Local Municipality in terms of section 19 and 20 of the 2016 DoRA.
3. The decision to stop 2016/17 MIG for Thabazimbi Local Municipality is informed by consistent under-spending of the municipality against the programme. The allocation will be re-allocated to Waterberg District Municipality to implement the infrastructure projects on behalf of the municipality.
4. Makana Local Municipality's 2016/17 MIG allocation is being stopped and re-allocated to Sarah Baartman District Municipality. The re-allocation is done in order to support the municipality with the implementation of infrastructure projects because the municipality had institutional and cash flow challenges that delayed the implementation of infrastructure projects.

### ***Conversion of the MIG allocations***

5. Section 21 subsection (1) (a), (b) and (i) of the Division of Revenue Act, 2016 (Act No. 3 of 2016), which states: if satisfied that the conversion will prevent under-expenditure or improve the level of service delivery in respect of the allocation in question National Treasury may convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6.
6. By converting MIG allocation from schedule 5B to schedule 6B, the municipality would not run the risk of potentially losing some of their allocated funds through the stopping and re-allocation process should they perform poorly during the financial year.
7. The 2016/17 MIG allocation for the following municipalities will be converted from schedule 5B to schedule 6B namely; Mopani District Municipality, Mafube Local Municipality and Ngaka Modiri Molema District Municipality. The conversion is informed by amongst others consistent under-spending against the MIG allocation, governance issues that are still not yet resolved, cash flow challenges, backlogs against projects and various interventions measures which have been implemented but proved not to be successful.
8. National Treasury in consultation with DCoG made a decision that the 2016/17 MIG allocation must be converted from a schedule 5B to schedule 6B in order to allow the municipalities an opportunity resolve their challenges with the assistance of both the National and provincial departments.

**ANNEXURE 1**

**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**

**(National and Municipal Financial Years)**

**Schedule 5B**  
**INFRASTRUCTURE GRANT ALLOCATIONS TO MUNICIPALITIES**

Department Cooperative Governance and Traditional Affairs (Vote 4)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation R'000	Roll-overs R'000	Adjustments R'000	2016/17 Adjusted allocation R'000
<b>EASTERN CAPE</b>				
B EC101 EC101	37 623			37 623
B EC102 Blue Crane Route	13 666			13 666
B EC104 Makana	36 288		(36 288)	
B EC105 Ndlambe	26 054			26 054
B EC106 Sundays River Valley	24 446			24 446
B EC108 Kouga	30 326			30 326
B EC109 Kou-Kamma	14 694			14 694
B DC10 Sarah Baartman District Municipality			36 288	36 288
<b>Total: Cacadu Municipalities</b>	<b>183 097</b>			<b>183 097</b>
<b>Total: Eastern Cape Municipalities</b>	<b>2 956 279</b>			<b>2 956 279</b>
<b>FREE STATE</b>				
B FS201 Moqhaka	38 349			38 349
B FS203 Ngwathe	40 070			40 070
B FS204 Metsimaholo	42 623			42 623
B FS205 Mafube	21 422		(21 422)	
C DC20 Fezile Dabi District Municipality				
<b>Total: Fezile Dabi Municipalities</b>	<b>142 464</b>		<b>(21 422)</b>	<b>121 042</b>
<b>Total: Free State Municipalities</b>	<b>713 423</b>		<b>(21 422)</b>	<b>692 001</b>
<b>LIMPOPO</b>				
B LIM331 Greater Giyani	57 902			57 902
B LIM332 Greater Letaba	54 976			54 976
B LIM333 Greater Tzaneen	89 797			89 797
B LIM334 Ba-Phalaborwa	30 568			30 568
B LIM335 Maruleng	25 418			25 418
C DC33 Mopani District Municipality	438 907		(150 000)	288 907
<b>Total: Mopani Municipalities</b>	<b>697 568</b>		<b>(150 000)</b>	<b>547 568</b>
B LIM361 Thabazimbi	28 714		(28 714)	
B LIM362 Lephale	36 355			36 355
B LIM366 Bela-Bela	22 571			22 571
B LIM367 Mogalakwena	139 486			139 486
B LIM368 LIM368	36 255			36 255
B DC36 Waterberg District Municipality			28 714	28 714
<b>Total: Waterberg Municipalities</b>	<b>263 381</b>			<b>263 381</b>
<b>Total: Limpopo Municipalities</b>	<b>3 126 953</b>		<b>(150 000)</b>	<b>2 976 953</b>
<b>NORTH WEST</b>				
B NW381 Ratlou	43 059			43 059
B NW382 Tswaing	27 939			27 939
B NW383 Mafikeng	70 417			70 417
B NW384 Ditsobotla	34 875			34 875
B NW385 Ramotshere Moiloa	35 460			35 460
C DC38 Ngaka Modiri Molema District Municipality	290 197		(290 197)	
<b>Total: Ngaka Modiri Molema Municipalities</b>	<b>501 947</b>		<b>(290 197)</b>	<b>211 750</b>
<b>Total: North West Municipalities</b>	<b>1 654 349</b>		<b>(290 197)</b>	<b>1 364 152</b>
<b>National Total</b>	<b>14 914 028</b>		<b>(461 619)</b>	<b>14 452 409</b>

**ANNEXURE 2**  
**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**  
**(National and Municipal Financial Years)**



**Schedule 6B**  
**ALLOCATIONS-IN-KIND TO MUNICIPALITIES**

Department Cooperative Governance and Traditional Affairs (Vote 4)	Municipal Infrastructure Grant			
	Column A	Column B		Column C
	2016/17 Main allocation R'000	Roll-overs R'000	Adjustments R'000	2016/17 Adjusted allocation R'000
<b>FREE STATE</b>				
B FS201 Moqhaka				
B FS203 Ngwathe				
B FS204 Metsimaholo				
B FS205 Mafube			21 422	21 422
C DC20 Fezile Dabi District Municipality				
<b>Total: Fezile Dabi Municipalities</b>			<b>21 422</b>	<b>21 422</b>
<b>Total: Free State Municipalities</b>			<b>21 422</b>	<b>21 422</b>
<b>LIMPOPO</b>				
B LIM331 Greater Giyani				
B LIM332 Greater Letaba				
B LIM333 Greater Tzaneen				
B LIM334 Ba-Phalaborwa				
B LIM335 Maruleng				
C DC33 Mopani District Municipality			150 000	150 000
<b>Total: Mopani Municipalities</b>			<b>150 000</b>	<b>150 000</b>
<b>Total: Limpopo Municipalities</b>			<b>150 000</b>	<b>150 000</b>
<b>NORTH WEST</b>				
B NW381 Ratlou				
B NW382 Tswaing				
B NW383 Mafikeng				
B NW384 Ditsobotla				
B NW385 Ramotshere Moiloa				
C DC38 Ngaka Modiri Molema District Municipality			290 197	290 197
<b>Total: Ngaka Modiri Molema Municipalities</b>			<b>290 197</b>	<b>290 197</b>
<b>Total: North West Municipalities</b>			<b>290 197</b>	<b>290 197</b>
<b>National Total</b>			<b>461 619</b>	<b>461 619</b>





Printed by and obtainable from the Government Printer, Bosman Street, Private Bag X85, Pretoria, 0001  
Contact Centre Tel: 012-748 6200. eMail: info.egazette@gpw.gov.za  
Publications: Tel: (012) 748 6053, 748 6061, 748 6065