

2023 Division of Revenue Bill

Briefing for the Western Cape
Provincial Legislature

PRESENTED BY:

National Treasury

Division: IGR

Date: 19 April 2023



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Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



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Overview of the presentation

- An overview of the 2023 division of revenue and changes to Bill clauses and schedules
- Provincial government allocations
- Local government allocations

Additional information

- Responses to FFC recommendations (details in Annexure W1 to the 2023 Division of Revenue Bill)
- Responses to Committees recommendations (details in Annexure A to the 2023 Budget Review)

2023 division of revenue and changes to Bill clauses and schedules



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2023 Division of Revenue

- National share of revenue increases at an annual average rate of 0.9 per cent
- Transfers to provinces increase at an average annual rate of 2.8 per cent, with conditional grants growing faster than the equitable share
- Transfers to local government grow at an average annual rate of 7.4 per cent, mainly as a result of the higher than inflation growth in the equitable share

Table 6.1 Division of nationally raised revenue

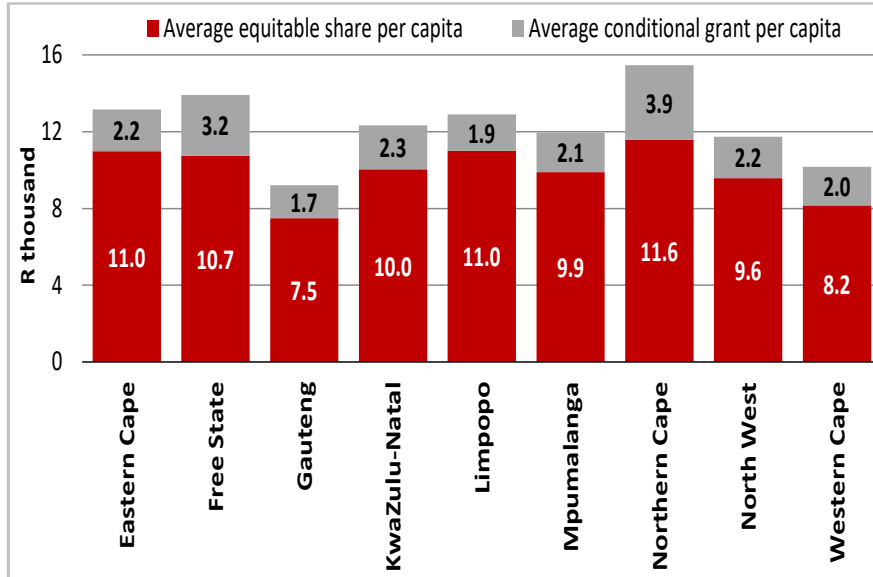
R billion	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Average annual MTEF growth
	Outcome			Revised estimate	Medium-term estimates			
Division of available funds								
National departments	749.8	790.5	823.0	854.4	828.6	835.7	877.9	0.9%
of which:								
Indirect transfers to provinces	2.9	2.9	3.7	4.6	4.2	4.4	4.8	1.1%
Indirect transfers to local government	5.6	4.1	5.7	7.2	8.5	8.9	9.3	8.9%
Provinces	613.4	628.8	660.8	694.6	695.1	720.5	754.7	2.8%
Equitable share	505.6	520.7	544.8	570.9	567.5	587.5	614.3	2.5%
Conditional grants	107.9	108.1	116.0	123.7	127.5	133.0	140.4	4.3%
Local government	123.0	137.1	135.6	147.8	164.0	174.4	183.3	7.4%
Equitable share	65.6	83.1	76.2	83.7	96.5	103.8	109.4	9.3%
Conditional grants	44.2	40.0	44.8	48.7	52.0	54.5	57.1	5.4%
General fuel levy sharing with metros	13.2	14.0	14.6	15.3	15.4	16.1	16.8	3.2%
Provisional allocation not assigned to votes ¹	–	–	–	–	1.5	3.9	4.0	
Non-interest allocations	1 486.2	1 556.4	1 619.4	1 696.8	1 689.1	1 734.4	1 819.9	2.4%
Percentage increase	12.2%	4.7%	4.0%	4.8%	-0.5%	2.7%	4.9%	
Debt-service costs	204.8	232.6	268.1	307.2	340.5	362.8	397.1	8.9%
Contingency reserve	–	–	–	–	5.0	5.0	5.0	
Unallocated reserve	–	–	–	–	–	35.7	44.5	
Main budget	1 691.0	1 789.0	1 887.5	2 004.0	2 034.6	2 137.9	2 266.5	4.2%
Percentage increase	12.2%	5.8%	5.5%	6.2%	1.5%	5.1%	6.0%	
Percentage shares								
National	50.4%	50.8%	50.8%	50.4%	49.1%	48.3%	48.3%	
Provinces	41.3%	40.4%	40.8%	40.9%	41.2%	41.6%	41.6%	
Local government	8.3%	8.8%	8.4%	8.7%	9.7%	10.1%	10.1%	

1. Includes amounts for Budget Facility for Infrastructure projects and other provisional allocations

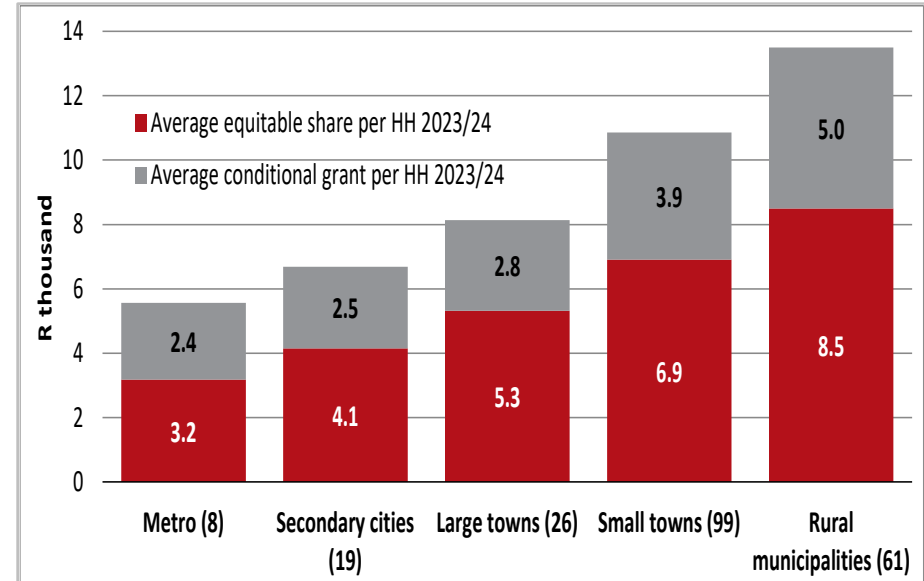
Source: National Treasury

The Division of Revenue is highly redistributive

Per capita allocations to provinces, 2023/24



Per household allocations to municipalities, 2023/24



- Though the tax base is concentrated in urban areas, rural areas receive more per capita/per household through Division of revenue
 - Transfers per household to the most rural municipalities are more than twice as large as those to metropolitan municipalities
 - More rural provinces receive higher allocation per capita than urban provinces

Substantive changes to the Bill clauses (1 of 2)

Section 5 - Equitable division of local government share among municipalities

- Subsection (3) is amended to allow for the amendment of LGES payment dates if the transfer of funds is stopped in terms of section 216(2) of the Constitution

Section 7 - Conditional allocations to provinces

- In line with the change made in the 2022 Division of Revenue Amendment Act, clauses are added to section 7 in the Bill to allow for the pledging of provincial grants

Section 13 - Duties of receiving officer in respect of infrastructure conditional allocations to provinces

- Subsection (1)(g) is amended to include the transferring officer and relevant provincial treasury on the submission of final reports on infrastructure programmes partially or fully funded from the relevant grants

Section 16 - Expenditure in terms of purpose and subject to conditions

- Subsection (3) is amended to require that transfers made to other organs of state, by receiving officers, are gazetted before the transfers are made; and make it explicit that if unspent, these allocations are subject to section 21(1) – they must revert to the National Revenue Fund unless approved for a roll-over

Substantive changes to the Bill clauses (2 of 2)

Section 18 - Stopping of allocations

- A clause is added to put deadlines for the submission of requests by transferring officers, provincial treasuries and receiving officers to stop allocations
- Subsection (2)(b) is amended to include transferring officers in the National Treasury's notification informing provincial treasuries of its intention to stop allocations

Section 22 – Payment requirements

- Subsection (2) is amended to include paragraph (e) to allow for amendments to the LGES amounts determined in terms of paragraph (a) if the transfer of funds is stopped in terms of section 216(2) of the Constitution or offset in terms of section 21(4)(a)(ii)

Section 31 – Liability for costs incurred in violation of principles of cooperative governance and intergovernmental relations

- Amended to include a clause that requires that where an organ of state decides to institute judicial proceedings against another organ of state, it must, 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

Changes to the Schedules of the Bill

- Emergency housing grants are omitted from Schedule 7, Parts A and B

Provincial government allocations



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Provincial transfers, 2023 MTEF

Table W1.5 Total transfers to provinces, 2023/24

R million	Equitable share	Conditional grants	Total transfers
Eastern Cape	73 292	14 637	87 928
Free State	31 380	9 280	40 660
Gauteng	120 752	27 437	148 189
KwaZulu-Natal	115 948	26 320	142 267
Limpopo	65 349	11 329	76 678
Mpumalanga	46 674	9 734	56 408
Northern Cape	15 150	5 095	20 245
North West	40 096	9 093	49 190
Western Cape	58 886	14 474	73 360
Unallocated		146	146
Total	567 528	127 544	695 072

Source: National Treasury

- Transfers to provinces account for 97 per cent of provincial revenue in 2023/24
- Provincial equitable share grows at an average annual growth rate of 2.5 per cent, whilst conditional grants at 4.3 per cent
- Funds have been added to provincial transfers to:
 - Respond to existing spending pressures
 - Support projects approved through BFI
 - Repair and rehabilitate infrastructure damaged by disasters

Technical updates to the Provincial Equitable Share formula

- Updates made to the PES formula for the 2023 MTEF include:
 - Technical updates to all components with the most recent data where possible
 - Continuation of phasing-in changes to health components resulting from PES review

Component	Data used
Education	Mid-Year Population Estimates 2022 age cohorts (new data) 2022 School enrolment (new data)
Health	2022 Mid-Year Population Estimates (new data) Insured population (2021 GHS) (new data) Risk adjusted index (new data) <ul style="list-style-type: none"> • <i>Population covered by a medical scheme</i> <ul style="list-style-type: none"> – 2020/21 CMS (new data) – 2018 GHS (old data) • <i>Total fertility rate (new data)</i> • <i>Premature Mortality (new data)</i> Patient load data (DHIS 2019/20 – 2020/21) (new data)
Basic	2022 Mid-Year Population Estimates (new data)
Poverty	2022 Mid-Year Population Estimates (new data) Income and Expenditure Survey (IES) 2010/11
Economic	GDP-R 2019 (old data)
Institutional	Not applicable (data not used)

Education (48%)



- School aged population
- Enrolled pupils

Health (27%)



- Population without medical aid, adjusted for health risk
- Hospital and clinic use

Basic (16%)



- Allocated based on:
- Share of population

Institutional (5%)



- Divided equally amongst provinces

Poverty (3%)



- Allocated based on:
- Share of poverty

Economic (1%)



- Based on share of GDP-R

Changes to Provincial Equitable Share allocations

- Responding to existing spending pressures
 - R20 billion over the MTEF is added for CoE pressures within the education sector. Funding is made up of R5.7 billion, R6.7 billion and R7.6 billion for the 3 years of the MTEF
 - R23.5 billion over the MTEF is added for the health sector. The funds are for ART and TB backlogs, healthcare services backlogs, CoE pressures, laboratory services, medicines, and other goods and medical supplies. Funds are made up of R7.5 billion, R7.8 billion and R8.1 billion
 - R31.1 billion over the MTEF is added for CoE for the carry though costs of the 2022/23 wage implementation. Funding is made up of R10.2 billion, R10.4 billion and R10.5 billion. Funding is allocated using PES formula
 - R631 million is added in 2023/24 to fund arrears in the compensation of izinduna in KwaZulu-Natal
- Projects approved through BFI
 - R1.8 billion over the MTEF is added as part of the BFI approved funding for the Coega SEZ that was going to flow through DTIC will now flow through PES. Funds are made up of R298 million, R632 million and R848 million

Changes to provincial conditional grants (1 of 2)

Education

- R1.6 billion is added to the Early Childhood Development Grant to increase the number of children accessing the early childhood development subsidy, provide pre-registration support to early childhood development centres, and pilot a nutrition support programme and a results-based service delivery model. Funding is made up of R587 million in 2024/25 and R985 million in 2025/26
- R1.5 billion is added over the MTEF to the National School Nutrition Programme Grant to ensure that the meals provided to almost 9 million learners meet the nutritional requirements
- R1.5 billion is added to the Education Infrastructure Grant for Gauteng Schools Programme. Funding is made up of R495 million, R503 million and R498 million. The funding is approved through BFI
- R300 million in 2023/24 is added to the Education Infrastructure Grant for the carry through costs for disasters that happened in April 2022

Transport

- R6.8 billion is added to the Provincial Roads Maintenance Grant for the backlog in refurbishment of provincial roads. Funding is made up of R1.2 billion, R2.3 billion and R3.4 billion
- R3.7 billion is added to the Provincial Roads Maintenance Grant for the building of modular steel bridges (rural bridges) under the Welisizwe Rural Bridges Programme. Funding is made up of R1 billion, R1.3 billion and R1.4 billion. The funding is approved through BFI
- R307 million is added through Provincial Roads Maintenance Grant in 2023/24 for the carry through costs for disasters that happened in April 2022

Changes to provincial conditional grants (2 of 2)

Agriculture

- R153 million is added to the Comprehensive Agricultural Support Programme Grant for KwaZulu-Natal agri-hubs. Funding is made up of R8 million in 2023/24, R86 million in 2024/25 and R58 million in 2025/26. The funding is approved through BFI

Health

- Limpopo Central Hospital funding has been rescheduled to align with the cash flow requirements. The current baselines are rescheduled with the following amounts -R372 million, R432 million and R569 million

Human settlements

- Provincial Emergency Housing grants ceases to exist from 2023/24 as funds are shifted to national department to allow for flexibility and timeous response to housing emergencies

Measles outbreak

There has been a measles outbreak in a number of provinces

- Post the tabling of the 2023 Budget, National Treasury has been engaging Department of Health on the funding for measles
- Parliament is requested to allow National Treasury to amend some of the health conditional grants when gazetting in terms of section 16 to allow for funds to be used for responding to measles outbreak
- The exact wording to be included in the grant framework is still being finalised between National Treasury and Department of Health

2023 MTEF Western Cape Provincial Allocations (1 of 2)

Western Cape				
	2023/24	2024/25	2025/26	MTEF total
R thousand				
Transfers from National	73 360 261	75 328 727	78 526 957	227 215 945
<i>of which</i>				
Equitable share	58 886 129	60 920 492	63 448 030	183 254 651
Conditional grants	14 474 132	14 408 235	15 078 927	43 961 294
<i>of which</i>				
Agriculture, Land Reform and Rural Development	187 312	196 334	205 130	588 776
Comprehensive Agricultural Support Programme Grant	121 653	127 116	132 811	381 580
Ilima/Letsema Projects Grant	59 979	62 672	65 480	188 131
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 680	6 546	6 839	19 065
Basic Education	1 976 226	1 956 556	2 069 374	7 426 912
Early Childhood Development	100 076	114 719	141 394	356 189
<i>Maintenance Component</i>	14 038	6 711	6 801	27 550
<i>Subsidy Component</i>	86 038	108 008	134 593	328 639
Education Infrastructure Grant	1 290 062	1 233 451	1 288 710	3 812 223
HIV and AIDS (Life Skills Education) Grant	18 071	18 939	19 787	56 797
Learners With Profound Intellectual Disabilities Grant	34 080	35 420	36 630	106 130
Maths, Science and Technology Grant	37 135	38 746	40 482	116 363
National School Nutrition Programme Grant	496 802	515 281	542 371	1 554 454
Health	7 187 798	7 392 517	7 723 702	22 304 017
District Health Programmes Grant	2 049 145	2 141 171	2 237 095	6 427 411
<i>Comprehensive HIV/AIDS Component</i>	1 831 381	1 913 627	1 999 357	5 744 365
<i>District Health Component</i>	217 764	227 544	237 738	683 046
Health Facility Revitalisation Grant	883 298	830 223	867 417	2 580 938
Human Resources and Training Grant	887 123	903 926	944 422	2 735 471
<i>Statutory Human Resources Component</i>	369 008	362 548	378 790	1 110 346
<i>Training Component</i>	518 115	541 378	565 632	1 625 125
National Health Insurance Grant	36 225	35 551	37 144	108 920
National Tertiary Services Grant	3 332 007	3 481 646	3 637 624	10 451 277

2023 MTEF Western Cape Provincial Allocations (2 of 2)

Western Cape				
	2023/24	2024/25	2025/26	MTEF total
R thousand				
Human Settlements	2 207 509	2 306 646	2 409 984	6 924 139
Human Settlements Development Grant	1 701 511	1 777 924	1 857 575	5 337 010
Informal Settlements Upgrading Partnership Grant: Provinces	505 998	528 722	552 409	1 587 129
Public Works and Infrastructure	56 450	-	-	56 450
Expanded Public Works Programme Integrated Grant for Provinces	20 798	-	-	20 798
Social Sector Expanded Public Works Programme Incentive Grant for Provinces	35 652	-	-	35 652
Sport, Arts and Culture	255 847	266 533	278 512	800 892
Community Library Services Grant	193 331	201 169	210 180	604 680
Mass Participation and Sport Development Grant	62 516	65 364	68 332	196 212
Transport	2 602 990	2 289 649	2 392 225	7 284 864
Provincial Roads Maintenance Grant	1 425 471	1 059 248	1 106 702	3 591 421
Public Transport Operations Grant	1 177 519	1 230 401	1 285 523	3 693 443

Local government allocations



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Local government transfers, 2023 MTEF

- Transfers to local government account for 10 per cent of nationally raised revenue
 - Majority of local government revenues are raised by municipalities through their revenue raising powers
- Overall direct allocations to local government grow by annual average of 5.9 per cent over the MTEF
- The *local government equitable share* grows at a faster rate, at an annual average rate of 8.1 per cent over the MTEF

R million	2022/23 Adjusted budget	2023/24	2024/25	2025/26
		Medium-term estimates		
Direct transfers	154 188	163 972	174 382	183 330
Equitable share and related	87 311	96 546	103 772	109 368
Equitable share formula ¹	80 023	88 978	95 853	101 099
RSC levy replacement	6 249	6 524	6 817	7 123
Support for councillor remuneration and ward committees	1 040	1 044	1 102	1 146
General fuel levy sharing with metros	15 335	15 433	16 127	16 849
Conditional grants	51 542	51 992	54 484	57 113
Infrastructure	48 857	49 733	52 123	54 646
Capacity building and other	2 685	2 259	2 361	2 467
Indirect transfers	8 171	8 481	8 862	9 259
Infrastructure	8 030	8 335	8 709	9 099
Capacity building and other	140	147	153	160
Total	162 359	172 453	183 244	192 589

Local government equitable share

- Allocated through a formula to ensure fairness for all 257 municipalities
- Formula has updated data for:
 - Household growth: 2,7% growth in StatsSA's 2021 GHS
 - Bulk water: 8.9% average water board bulk price increases
 - Bulk electricity: 20.7% based on previously approved Multi-Year Price Determination (MYPD)
 - Projected CPI for other costs
- The formula is fully funded to account for HH growth and cost increases over the MTEF
 - R8.1 billion is added to the LGES to increase coverage of the provision of free basic services



Free basic services
R70.9 billion
 R528.29 per month for a package of free basic services for SA households with an income of less than 2 old age pensions per month



Institutional
 R6.7 billion to assist with administration costs

Community Services
 R10 billion to fund community services

These funds are only allocated to poorer municipalities (some cities can fund these from own revenues)

Government also allocates just over R1 billion in 2023/24 to subsidise the cost of councillor remuneration

Changes to local government allocations (1 of 3)

Additions to the *local government equitable share*

- R2.5 billion in 2023/23, R2.3 billion in 2024/25 and R3.3 billion in 2025/26 to fully fund the provision of free basic services

Public Transport Network Grant

- R8 million in 2024/25 and R13 million in 2025/26 is reprioritised out of this grant to fund the roll out of the Single Integrated Ticketing System

Discontinuation of the Municipal Emergency Housing Grant

- The *municipal emergency housing grant* is discontinued and its baseline shifted to the vote of the department of Human Settlements for the same purpose

Reforms to Integrated National Electrification Programme Grant

- The Integrated National Electrification Programme (INEP) grants (both ESKOM and Municipal) will, from 2023/24, begin to fund alternative energy technologies such as rooftop solar power and other energy-saving devices/technologies
- This will assist in addressing the current energy crisis

Changes to local government allocations (2 of 3)

- Due process will be followed in order to access funding for these new technologies
- The conditions also require that priority be given to new connections, i.e., non-grid technology should be targeted at households that do not have access to electricity

BFI – rescheduling

- R461 million over the MTEF is added to the *public transport network grant* to align funding with the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi public transport network project, funded from the BFI
- R136 million is reduced from the *direct regional bulk infrastructure grant* in 2023/24, and R1.4 million added in 2024/25 to align funding with the revised implementation plan and cash flow projections for George Local Municipality's potable water security and remedial works project

Changes to local government allocations (3 of 3)

BFI - new allocations

- eThekweni Metro is allocated R88 million in 2023/24 and R118 million in 2024/25 for the implementation of phase 1 of the Avoca Node Programme
- City of Johannesburg is allocated R385 million in 2024/25, R654 million in 2024/25 and R963 million in 2025/26 for the implementation of the Lufhereng Mixed Use Development Programme
- Sol Plaatje Local Municipality is allocated R86 million in 2023/24, R492 million in 2024/25 and R574 million in 2025/26 to refurbish and renew old water supply infrastructure
- Drakenstein Local Municipality is allocated R305 million in 2023/24, R593 million in 2024/25 and R481 million in 2025/26 to upgrade sanitation infrastructure
- Nelson Mandela Bay is allocated R348 million in 2023/24, R250 million in 2024/25 and R390 million in 2025/26 to avert the water supply crisis from the ongoing drought over the short term

LG Equitable Share allocations for 2023 MTEF (1 of 2)

Local Government Equitable Share Allocations, 2023 MTEF

Code Municipality			2023/24 R'000	Forward Estimates	
				2024/25 R'000	2025/26 R'000
WESTERN CAPE					
A	CPT	City of Cape Town	4 066 769	4 475 653	4 953 531
B	WC011	Matzikama	76 264	82 658	89 585
B	WC012	Cederberg	67 058	72 683	77 823
B	WC013	Bergrivier	63 544	69 714	76 841
B	WC014	Saldanha Bay	129 270	143 148	159 029
B	WC015	Swartland	143 235	160 825	181 597
C	DC1	West Coast District Municipality	107 029	112 198	116 376
Total: West Coast Municipalities			586 400	641 226	701 251
B	WC022	Witzenberg	135 729	149 824	166 319
B	WC023	Drakenstein	215 718	236 911	261 660
B	WC024	Stellenbosch	200 841	222 190	247 200
B	WC025	Breede Valley	162 453	176 655	193 187
B	WC026	Langeberg	106 265	115 046	124 501
C	DC2	Cape Winelands District Municipality	258 729	270 375	286 213
Total: Cape Winelands Municipalities			1 079 735	1 171 001	1 279 080
B	WC031	Theewaterskloof	131 583	142 889	154 106
B	WC032	Overstrand	157 935	174 790	191 658
B	WC033	Cape Agulhas	40 380	43 729	47 082
B	WC034	Swellendam	43 487	47 332	51 286
C	DC3	Overberg District Municipality	84 437	88 501	90 551
Total: Overberg Municipalities			457 822	497 241	534 683

Source: Division of Revenue Bill, 2023

LG Equitable Share allocations for 2023 MTEF (2 of 2)

Local Government Equitable Share Allocations, 2023 MTEF

			2023/24 R'000	Forward Estimates	
				2024/25 R'000	2025/26 R'000
Code	Municipality				
WESTERN CAPE					
B	WC041	Kannaland	35 348	37 401	38 253
B	WC042	Hessequa	59 164	64 016	69 140
B	WC043	Mossel Bay	130 634	142 630	154 547
B	WC044	George	214 691	235 747	260 334
B	WC045	Oudtshoorn	96 434	103 643	109 214
B	WC047	Bitou	144 726	161 667	175 490
B	WC048	Knysna	122 358	134 028	144 402
C	DC4	Garden Route District Municipality	178 333	186 631	195 195
Total: Garden Route Municipalities			981 688	1 065 763	1 146 575
B	WC051	Laingsburg	21 520	22 980	23 396
B	WC052	Prince Albert	28 653	30 861	31 888
B	WC053	Beaufort West	83 574	89 998	93 991
C	DC5	Central Karoo District Municipality	37 712	39 519	39 214
Total: Central Karoo Municipalities			171 459	183 358	188 489
Total: Western Cape Municipalities			7 343 873	8 034 242	8 803 609

Source: Division of Revenue Bill, 2023

LG conditional grant allocations for 2023 MTEF

Conditional Grant Allocations, 2023 MTEF

	2023/24 R'000	Forward Estimates	
		2024/25 R'000	2025/26 R'000
Infrastructure transfers to local government	5 678 697	6 446 639	6 707 710
Direct transfers	5 544 991	6 221 651	6 618 302
Municipal infrastructure grant	459 109	460 697	477 846
Integrated urban development grant	185 476	136 726	142 594
Urban settlements development grant	1 008 100	1 053 373	1 100 564
Public transport network grant	1 922 668	2 648 693	3 356 297
Informal settlements upgrading partnership grant for municipalities	573 210	598 952	625 785
Neighbourhood development partnership (capital) grant	290 162	81 116	70 001
Energy efficiency and demand-side management grant	33 200	36 000	8 000
Integrated national electrification programme (municipal) grant	236 103	217 164	226 893
Regional bulk infrastructure grant	680 448	874 626	490 000
Water services infrastructure grant	143 246	100 595	106 000
Rural roads asset management systems grant	13 269	13 709	14 322
Indirect transfers	133 706	224 988	89 408
Neighbourhood development partnership (technical assistance) grant	4 000	6 600	6 600
Integrated national electrification programme (Eskom) grant	114 553	202 521	66 239
Regional bulk infrastructure grant	15 153	15 867	16 569
Capacity building transfers to local government	267 524	140 676	158 277
Direct transfers	266 524	138 676	147 877
Programme and Project Preparation Support Grant	68 877	72 950	77 263
Infrastructure skills development grant	15 500	17 000	18 000
Local government financial management grant	48 721	48 726	52 614
Expanded public works programme integrated grant for municipalities	133 426	-	-
Indirect transfers	1 000	2 000	10 400
Municipal systems improvement grant	1 000	2 000	10 400
Total Western Cape Municipalities	5 946 221	6 587 315	6 865 987

Source: Division of Revenue Bill, 2023

LG conditional grant expenditure, 2019/20 – 2021/22

Conditional Grants Expenditure, 2019/20 – 2021/22

R '000)	2019/20			2020/21			2021/22		
	Allocation	Outcome	% Spent	Allocation	Outcome	% Spent	Allocation	Outcome	% Spent
Infrastructure transfers to local government	4 016 420	2 940 788	73,2%	3 412 127	2 394 520	70,2%	3 872 430	3 274 979	84,6%
Municipal infrastructure grant	443 713	328 041	73,9%	436 998	408 264	93,4%	454 428	434 407	95,6%
Integrated urban development grant	95 936	–	0,0%	104 833	104 833	100,0%	109 197	104 034	95,3%
Urban settlements development grant	1 630 219	1 470 685	90,2%	1 630 219	815 270	50,0%	972 431	753 956	77,5%
Informal settlements upgrading partnership grant for municipalities	–	–	0,0%	–	–	0,0%	518 140	460 587	88,9%
Public transport network grant	1 475 144	921 117	62,4%	902 840	867 153	96,0%	1 158 616	1 027 906	88,7%
Neighbourhood development partnership (capital) grant	50 000	42 035	84,1%	50 746	25 232	49,7%	191 399	168 759	88,2%
Energy efficiency and demand-side management grant	39 065	24 387	62,4%	24 300	23 906	98,4%	31 659	23 749	75,0%
Integrated national electrification programme (municipal) grant	149 931	117 553	78,4%	123 816	108 073	87,3%	189 571	141 675	74,7%
Regional bulk infrastructure grant	19 471	4 144	21,3%	10 000	–	0,0%	109 006	57 880	53,1%
Water services infrastructure grant	100 000	30 980	31,0%	116 022	35 420	30,5%	125 500	95 731	76,3%
Rural roads asset management systems grant	12 941	1 845	14,3%	12 353	6 369	51,6%	12 483	6 295	50,4%
Capacity building transfers to local government	226 228	174 002	76,9%	178 046	137 812	77,4%	290 228	209 458	72,2%
Infrastructure skills development grant	21 105	17 212	81,6%	16 995	15 205	89,5%	18 000	14 612	81,2%
Local government financial management grant	45 855	39 874	87,0%	46 645	43 411	93,1%	46 981	43 055	91,6%
Expanded public works programme integrated grant for municipalities	95 954	59 510	62,0%	106 479	73 374	68,9%	107 207	104 205	97,2%
Municipal disaster response grant	7 927	2 019	25,5%	7 927	5 822	73,4%	47 150	5 822	12,3%
Programme and project preparation support grant	55 387	55 387	100,0%	–	–	0,0%	70 890	41 764	58,9%
Total Western Cape municipalities	4 242 648	3 114 789	73,4%	3 590 173	2 532 332	70,5%	4 162 658	3 484 437	83,7%

1. Source: 2019/20, 2020/21 and 2021/22 MFMA Section 71 4th Quarter Publications

2. Numbers for the Urban Settlements Development Grant are as per the Department of Human Settlements submission

Thank You

The Division of Revenue Bill, 2023, which includes details of changes to allocations to each province and municipality is available at:

<http://www.treasury.gov.za/documents/national%20budget/2023/default.aspx>