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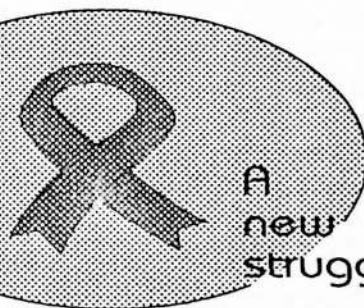
Vol. 11

BISHO/
KING WILLIAM'S TOWN, 13 SEPTEMBER 2004

No. 1211
(Extraordinary)

We all have the power to prevent AIDS

AIDS
affects
us all



A
new
struggle

Prevention is the cure

**AIDS
HELPUNE**

0800 012 322

DEPARTMENT OF HEALTH



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CONTENTS • INHOUD*No.**Page
No.* *Gazette
No.***PROVINCIAL NOTICE**

44	Division of Revenue Act, 2004: Amendment of allocation to municipalities	3	1211
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PROVINCIAL NOTICE

No. 44

13 September 2004

**AMENDMENT OF ALLOCATION TO MUNICIPALITIES NOT LISTED IN
THE SCHEDULE OF PROVINCIAL GAZETTE NO. 1163 DATED 25 MAY
2004**

In terms of section 16(2) of the Division of Revenue Act 2004, a provincial accounting officer intending to make an allocation other than an allocation listed in any schedule to the Act, to a municipality from the provincial revenue fund must publish such information in a provincial gazette.

The department has completed the prognosis of the current status of the municipalities and as a result the allocations per municipality are listed hereunder

A. LOCAL GOVERNMENT CAPACITY BUILDING FUND

Name of transferring department	Housing, Local Government and Traditional Affairs
Name of allocation	Local Government Capacity Building Fund (LGCBF)
Purpose	To assist municipalities to build their institutional capacity, improve their systems for sustainable service delivery and enable the Housing, Local Government and Traditional Affairs to perform its monitoring functions.

Measurable outputs / Focus Areas	<p>Although outputs will vary between municipalities, the following issues, <i>inter alia</i> should be addressed</p> <ul style="list-style-type: none"> ▪ Budget process which includes operating budgets ▪ Prepare financial statements ▪ Revenue management : council approval and implementation of consolidated credit control, indigence and tariff policies ▪ Financial reporting as required in terms of Section 74(1) of Municipal Management Act 2003 and proclamation R1535 and R1536 ▪ Asset management ▪ Mentoring ▪ Information Communication Technology ▪ Data Cleansing ▪ Human Resource Management that includes (i) organograms, (ii) staff codes (iii) contracts (iv) delegation framework etc. ▪ Training includes, councillors, ward committees, officials on (i) roles and responsibilities, (ii) powers and functions (iii) understanding systems of government, (iv) new legislation. ▪ Community Strategy – Sonke Sibanye ▪ Legislation includes, Policies, By-laws, Procedures, Statutes, Interpretation and printing ▪ Interventions ▪ Municipal Performance management Systems ▪ Section 78 Assessments ▪ Community Development Workers ▪ Pilot projects – Traditional leader capacitating on local government matters
Conditions	<ul style="list-style-type: none"> ▪ Needs assessment by the DHLG&TA and relevant district municipalities to determine allocations to local municipalities ▪ Regular monitoring by DHLG&TA ▪ Any amendments to the municipal business plans can only be effected after prior approval of the provincial transferring officer has been obtained. ▪ Reporting as required by applicable legislations as well as DHLG&TA is adhered to ▪ Adequate measures are at municipal level ▪ Transfers to be effected on fulfilment of Section 38(1)(j) of the PFMA Act 1 of 1999, put in place to ensure compliance with the conditions of the funds

Allocation Criteria	Allocations to be made to municipalities according to assessed need in order to assist them in meeting their constitutional obligation to support the local government sphere
Reasons for not incorporating in the equitable share	According to section 154(1) of the constitution national and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.
Monitoring Mechanism	<ul style="list-style-type: none"> ▪ The department will expect quarterly reports on the support provided to municipalities and the progress made with the implementation of systems in municipalities. ▪ Monthly conditional reporting as stipulated in the Division of Revenue Act ▪ Monthly visits to municipalities by departmental officials if need arises
Past Performance	Thirty three municipalities had the benefits of the previous support grant and as a result all municipalities except one or two have submitted financial statements to the auditor general. This has effectively reduced administrative backlogs at municipalities.
Projected Life	This grant is transferred to municipalities to assist them in building their capacity to carry out their functions. This grant will be phased out once such capacity has been established. In the interim the following conditions will apply to the utilization of funds; The funds may not be used for the permanent employment of any capacity building service.
Project Management	Project management funds to be transferred to the Amatole District Municipality to administer on behalf of DHLG&TA within set conditions

	Municipality	Column A 2004/05 Allocations	2005/06 Allocation	2006/07 Allocation
Payment Schedule	LGCBF FUNDS – LOCAL MUNICIPALITIES	R22 184 000		
	Amahlati	R1 050 000		
	Camdeboo	R 250 000		
	Elundini	R 810 000		
	Emalahleni	R 260 000		
	Engcobo	R 900 000		
	Gariep	R 460 000		
	Great Kei	R1 450 000		
	Ikwezi	R 510 000		
	Inkwanca	R 260 000		
	Intsika Yethu	R 560 000		

Inxuba Yethemba	R1 100 000		
King Sabata Dalindyebo	R1 350 000		
Kouga	R 300 000		
Kou-Kamma	R 550 000		
Lukanji	R2 050 000		
Makana	R1 600 000		
Maletswai	R 910 000		
Mbashe	R 560 000		
Mbizana	R 610 000		
Mhlontlo	R 810 000		
Mnquma	R 250 000		
Ngqushwa	R 525 000		
Nkonkobe	R 700 000		
Ntabankulu	R 200 000		
Nxuba	R 185 000		
Nyandeni	R 660 000		
Port St John s	R 860 000		
Qaukeni	R 550 000		
Sakhisizwe	R 200 000		
Senqu	R 510 000		
Sundays River Valley	R 184 000		
Tsolwana	R 710 000		
Umzimkulu	R 150 000		
Umzinvubu	R 150 000		
MMP – CAPACITY BUILDING PROGRAM	R13 000 000.00		

 **HEAD OF DEPARTMENT: DEPARTMENT OF HOUSING, LOCAL
GOVERNMENT AND TRADITIONAL AFFAIRS**

DATE: 23-07-04



