



PROVINCE OF THE EASTERN CAPE  
IPHONDO LEMPUMA KOLONI  
PROVINSIE OOS-KAAP

# Provincial Gazette Igazethi Yephondo Provinsiale Koerant

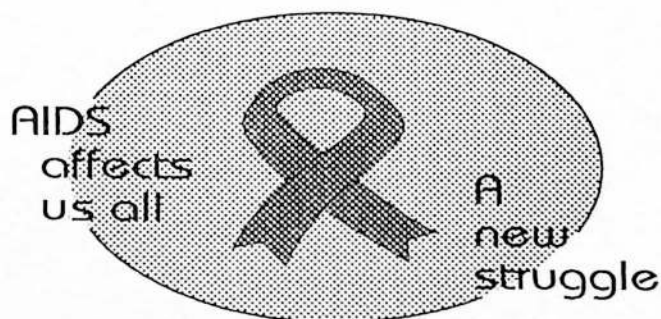
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Vol. 12

BISHO/  
KING WILLIAM'S TOWN, 28 SEPTEMBER 2005

**No. 1434**  
(Extraordinary)

**We all have the power to prevent AIDS**



**Prevention is the cure**

**AIDS  
HELPLINE**

**0800 012 322**

DEPARTMENT OF HEALTH



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## PROVINCIAL NOTICES

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No. 37

28 September 2005

### EASTERN CAPE PROVINCIAL TREASURY

DEPARTMENT OF HOUSING, LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS  
AND DEPARTMENT OF ECONOMIC AFFAIRS, ENVIRONMENT AND TOURISM

#### CORRECTION NOTICE

#### ALLOCATION TO MUNICIPALITIES NOT LISTED IN THE SCHEDULE OF THE DIVISION OF REVENUE ACT, 2005 (ACT No.1 OF 2005)

The notice issued in the government Gazette No. 1366 dated 9 May 2005 is hereby corrected by the substitution of the Schedule 2 correction of an allocation in schedule 3

In terms of section 25(2) of the Division of Revenue Act, 2005 (Act No. 1 of 2005, the provincial Accounting Officers of Department of Economic Affairs, Environment and Tourism and Department of Housing, Local Government and Traditional Affairs intends to make an allocation other than the allocation listed in any schedule to the Act, to a municipality from the provincial revenue fund as per the attached schedule.



W. H. NEL  
MEC FOR FINANCE

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**SCHEDULE 3****ALLOCATIONS TO MUNICIPALITIES NOT LISTED IN THE SCHEDULE TO THE  
DIVISION OF REVENUE ACT, NO. 1 OF 2005**

<b>NAME OF TRANS-FERRING DEPARTMENT</b>	<b>HOUSING, LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS</b>
<b>Name of allocation</b>	Local Government Support Grant
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Strengthening the Capacity of Municipalities</li> <li>• Integrated Planning and good governance</li> <li>• Facilitate Land and Infrastructure development</li> <li>• Promotion of sustainable local economic and rural development as well as free basic services.</li> <li>• To eradicate the bucket toilet system in the Province</li> </ul>
<b>Measurable Outputs</b>	<p>Although outputs will vary between municipalities, the following issues, <i>inter alia</i>, should be addressed</p> <ul style="list-style-type: none"> <li>• Facilitate the development of effective and functional organograms</li> <li>• Facilitate capacity building for ward committees, municipal officials, councillors and traditional leaders</li> <li>• Facilitate deployment of Community Development Workers</li> <li>• Facilitate promulgation of by-laws, policies and conditions of service.</li> <li>• Facilitate customisation of by-laws and policies</li> <li>• Facilitate the development and implementation of Human Resource systems e.g. performance contracts.</li> <li>• Support municipalities on Budgeting; Annual Financial Statements; Asset Registers, Revenue management and financial management systems.</li> <li>• Auditing of municipalities.</li> <li>• Facilitation of Community participation in Council structures.</li> <li>• Promotion of effective Disaster Management Systems and Emergency Services</li> <li>• Review of Municipal Integrated Development Plans</li> <li>• Facilitate development of Municipal Performance Management Systems</li> <li>• Promotion of effective and efficient Spatial Planning</li> <li>• Promotion of mapping and surveying of land for orderly development and upgrading of land tenure rights</li> <li>• Facilitate the compilation of Valuation Rolls for municipal property rating</li> <li>• Facilitate eradication of bucket system</li> <li>• Facilitate establishment of sustainable LED and ISRDP projects in municipalities and promotion of free basic Services</li> <li>• Facilitate Project Management in municipalities</li> <li>• The installation of new (and in some cases) the upgrading of sanitation related infrastructure to eradicate the bucket toilet system</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Transfers done in tranches where applicable and subject to proper utilization of funds</li> <li>• Submission of business plans prior to transfers</li> <li>• Regular monitoring by DHLG&amp;TA</li> <li>• Any amendments to the municipal business plans can only be effected after prior approval of the provincial transferring officer has been obtained</li> <li>• Reporting requirements in terms of applicable legislation to be strictly adhered to</li> <li>• Transfers to be effected on fulfillment of Section 38(l) (j) of the PFMA Act 1 of 1999, put in place to ensure compliance with the conditions of the funds.</li> <li>• MIG Registration Forms together with technical report, &amp; Council Resolution.</li> </ul>
<b>Allocation Criteria</b>	<p>Allocations are made to municipalities according to assessed needs within the context of IDP in order to assist them in meeting their constitutional obligation. 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.</p>



## Copy of Transfer Payments (Disaster Funds)

		2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
<b>Disaster Management</b>		000	000	000	000	000	000
<b>Category A</b>		1,643,680	3,000	2,000	1,000	1,500	2,000
Nelson Mandela Metro		1,643,680	3,000	2,000	1,000	1,500	2,000
<b>Category B</b>		3,734,320	4,000	2,000	1,000	2,000	1,500
Buffalo City		3,734,320	2,000	1,000	500	1,000	1,000
KSD			2,000	1,000	500	1,000	500
<b>Category C</b>		10,600	18,000	11,000	8,000	9,500	10,000
Alfred Nzo		1,000	3,000	1,500	1,000	2,000	1,500
Amathole		2,300	4,000	2,000	1,500	1,500	2,000
Cacadu		1,000	2,000	2,000	1,500	1,500	1,500
Chris Hani		1,000	3,000	2,000	1,500	1,500	1,500
OR Thambo		4,300	4,000	2,000	1,500	1,500	2,000
Ukhahlamba		1,000	2,000	1,500	1,000	1,500	1,500
						1,500	1,500
<b>TOTAL</b>		<b>5,388,600</b>	<b>25,000</b>	<b>15,000</b>	<b>10,000</b>	<b>13,000</b>	<b>13,500</b>
<b>Fire &amp; Emergency Services</b>		000	000	000	000	000	000
<b>Category A</b>					0	0	0
Nelson Mandela Metro						0	0
<b>Category B</b>		0	0	0	1,516	500	570
Buffalo City						0	0
KSD					1,516	500	570
<b>Category C</b>		0	5,000	4,914	8,000	7,901	10,000
Alfred Nzo		0	0	0	1,000	1,000	1,500
Amathole		0	1,600	0	1,000	1,500	1,500
Cacadu		0	0	2,914	1,000	1,500	2,000
Chris Hani		0	1,700	2,000	2,000	1,401	1,500
OR Thambo		0	0	0	1,000	1,500	2,000
Ukhahlamba		0	1,700	0	2,000	1,000	1,500
<b>TOTAL</b>		<b>0</b>	<b>5,000</b>	<b>4,914</b>	<b>9,516</b>	<b>8,401</b>	<b>10,570</b>
<b>TOTAL DISASTER FUNDS</b>		<b>5,388,600</b>	<b>30,000</b>	<b>19,914</b>	<b>19,516</b>	<b>21,401</b>	<b>24,070</b>

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BRANCHES		DEVELOPMENTAL LOCAL GOVERNMENT	
DIRECTORATE		DISASTER MANAGEMENT	
DISTRICT MUNICIPALITY	MUNICIPALITY	PROJECT DESCRIPTION	Amount (R)
METRO	Nelson Mandela	Transfers are for different and ongoing programmes in all the stated areas and are as follows :- Strengthening of disaster management centers - Facilitate training of disaster management officials, volunteers and councillors - Facilitate community awareness programmes and integrated post disaster recovery and rehabilitation programmes.	1,000,000
AMATHOLE	Buffalo City		500,000
	King Sabata Dalin.		500,000
ALFRED NZO	Alfred Nzo		1,500,000
AMATOLE	Amathole		1,500,000
CACADU	Cacadu		1,500,000
CHRIS HANI	Chris Hani		1,500,000
O.R.TAMBO	O R Tambo		1,500,000
UKHAHLAMBA	Ukhahlamba		1,000,000
		TOTAL	10,000,000
CHRIS HANI	Chris Hani	Established effective fire brigade services 1 in 6 Districts, Nelson Mandela Metro and local municipalities purchase of fire engines, fire fighting equipment and repair existing ones	2,000,000
UKHAHLAMBA	Ukhahlamba		2,000,000
AMATOLE	Amathole		1,000,000
CACADU	Cacadu		1,000,000
O.R.TAMBO	O R Tambo		1,000,000
ALFRED NZO	Alfred Nzo		1,000,000
K.S.D.	K. S. D		1,516,000
		TOTAL	9,516,000
		GRAND TOTAL	19,516,000

Name of transferring Department	Department of Economic Affairs, Environment and Tourism
Name of Allocation	<b>LED Funding</b>
Purpose	Fund LED Projects
Measurable Outputs	Successful LED Projects
Conditions	Projects must first be submitted by the District Municipalities. They are then checked for viability by the staff of the Department and the Eastern Cape Development Corporation. If they are not viable they are rejected and DMs are requested to nominate another project. If the DM is unable to satisfy department, funds might be reallocated to another DM
Allocation Criteria	Allocation is based on available funding and past performance
Reasons for not incorporating in the equitable share	Funding is at the discretion of the department, monitoring and evaluation must be done by the department on a continuous basis
Monitoring System	Monitoring is done by the Regional Offices of the department according to Service Level Agreements signed by the department with the DMs
Past Performance	Performance has not always been satisfactory, however mechanisms exist whereby department can come to the assistance of projects which run into trouble
Projected Life	Some projects are funded in phases over different financial years with the second phase contingent on the success of the first phase. However even single phase projects sometimes extend over more than one financial year
Payment Schedule	Normally a single payment to the DM after signing the Service Level Agreement
Capacity and preparedness of the transferring Department	Department does have a record of overseeing successful projects but is constantly trying to enhance its capacity

## Provincial Gazette

Category	DC	Number	New Municipality	Local Economic Development Funding		
				Column A	Column B	
				2005/06 Allocation	Forward Estimates	
					2006/2007	2007/2008
				(R'000)	(R'000)	(R'000)
<b>EASTERN CAPE</b>						
A	Port Elizabeth		Nelson Mandela	282	1,000	1,000
B	DC10	EC101	Camdeboo			
B	DC10	EC102	Blue Crane Route			
B	DC10	EC103	Ikwezi			
B	DC10	EC104	Makana			
B	DC10	EC105	Ndlambe			
B	DC10	EC106	Sunday's River Valley			
B	DC10	EC107	Baviaans			
B	DC10	EC108	Kouga			
B	DC10	EC109	Kou-Kamma			
C	DC10	DC10	Cacadu	1,000	4,500	6,000
Total: Cacadu District				1,000	4,500	6,000
B	DC12	EC121	Mbashe			
B	DC12	EC122	Mquma			
B	DC12	EC123	Great Kei			
B	DC12	EC124	Amathali			
B	DC12	EC125	Buffalo City			
B	DC12	EC126	Ngqushwa			
B	DC12	EC127	Nkonkobe			
B	DC12	EC128	Nxusa			
C	DC12	DC12	Amatole	1,000	3,500	6,000
Total: Amathole District				1,000	3,500	6,000
B	DC13	EC131	Inxuba Yethemba			
B	DC13	EC132	Tsolwana			
B	DC13	EC133	Inkwanca			
B	DC13	EC134	Lukunji			
B	DC13	EC135	Inisika Yethu			
B	DC13	EC136	Emalahleni			
B	DC13	EC137	Engcobo			
B	DC13	EC138	Sakhisizwe			
DMA	DC13	DMA13	Mount Zebra NP			
C	DC13	DC13	Chris Hani	1,000	3,500	5,000
Total: Chris Hani				1,000	3,500	5,000
B	DC14	EC141	Elundini			
B	DC14	EC142	Senqu			
B	DC14	EC143	Matlathswai			
B	DC14	EC144	Gariep			
DMA	DC14	DMA14	Oviston Nature Reserve			
C	DC14	DC14	Ukwahlamba	1,000	3,500	4,000
Total: Ukwahlamba District				1,000	3,500	4,000
B	DC15	EC151	Mbitzana			
B	DC15	EC152	Ntabankulu			
B	DC15	EC153	Ingruza			
B	DC15	EC154	Port St Johns			
B	DC15	EC155	Nyandeni			
B	DC15	EC156	Mlionto			
B	DC15	EC157	King Sabata Dalindyebo			
C	DC15	DC15	O.R. Tambo	500	2,000	5,000
Total: O.R. Tambo District				500	2,000	5,000
B	DC44	EC05b1	Umtinkulu			
B	DC44	EC05b2	Umtimvubu			
DMA	DC44	DMA44	O'Connors Camp			
C	DC44	DC44	Alfred Nzo	500	2,000	3,000
Total: Alfred Nzo				500	2,000	3,000
Provincial allocation						
	or	x%	of provincial allocation			
Provincial Total				5,282	20,000	30,000
Summary of allocations						
Metropolitan				282	1,000	1,000
Districts & DMAs				5,000	19,000	29,000
Locals				-	-	-
Urban Nodes				282	1,000	1,000
Rural Nodes				3,000	11,000	17,000



Municipalities R'000	Economic Affairs		
	2005/06	2006/07	2007/08
<b>Category A</b>	282	1 000	1 000
Nelson Mandela	282	1 000	1 000
<b>Category B</b>			
<b>Category C</b>	5 000	19 000	29 000
Alfred Nzo	500	2 000	3 000
Amatole	1 000	3 500	6 000
Cacadu	1 000	4 500	6 000
Chris Hani	1 000	3 500	5 000
OR Tambo	500	2 000	5 000
Ukwahlamba	1 000	3 500	4 000
<b>Total transfers to</b>	<b>5 282</b>	<b>20 000</b>	<b>30 000</b>

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**EASTERN CAPE PROVINCIAL TREASURY****DIVISION OF REVENUE ACT, 2005 (ACT NO 1 OF 2005): PUBLICATION  
IN TERM OF SECTION 25 (2) OF INFORMATION RELATING TO AN  
ALLOCATION OTHER THAN ALLOCATION LISTED IN ANY SCHEDULE  
OF THE ACT**

Information relating to allocations made by the Eastern Cape Provincial Accounting Officer of the Department of Housing, Local Government and Traditional Affairs is in terms of section 25 (2) of the Division of Revenue Act, 2005 (Act No 1 of 2005), published for general information as set out in the Schedule herein.



**W.H. NEL**  
**MEC FOR FINANCE**

**Notice is hereby given that the Department of Housing, Local Government and Traditional Affairs intends to disburse funds, not scheduled in the Division of Revenue Act, 2005, to Municipalities as indicated below for the Departmental Urban Renewal Programme.**

<b>Name of transferring Department</b>	<b>Housing , Local Government and Traditional Affairs</b>										
<b>Name of allocation</b>	Urban Renewal Programme.										
<b>Purpose</b>	To fund projects that aim to improve the quality of the environment by addressing problems in disadvantaged urban communities.										
<b>Measurable Outputs</b>	<ul style="list-style-type: none"> <li>Improvement in the quality of the environment of urban communities by funding projects, which will address dysfunctionalities in such communities.</li> <li>Although outputs will vary between municipalities, the following issues should be addressed: Establishment of sustainable projects of infrastructure and SMME's and the number of employment opportunities created.</li> </ul>										
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Submission of business plan before 30 June 2005</li> <li>Reporting as required by applicable legislation is adhered to;</li> <li>Adequate measures are put in place to ensure compliance with the conditions of the funds at municipal level.</li> </ul>										
<b>Allocation criteria</b>	Allocations are made to promote economic growth and development in the urban renewal nodes of the Eastern Cape.										
<b>Monitoring mechanism</b>	The department will expect quarterly progress reports and will also evaluate and monitor progress through monthly site visits.										
<b>Past Performance</b>	URP is an initiative of poverty relief, which is in progress. The projects have been implemented with great success.										
<b>Project Life</b>	<p>This fund is transferred to municipalities to assist communities to implement community development projects of infrastructure and SMME's, in order to carry out their developmental local government mandate.</p> <p>The programme is an important tool in achieving functional urban renewal and is expected to continue until all identified nodes are well developed.</p>										
<b>Payment Schedule</b>	<p>Urban Renewal Projects :</p> <table border="1"> <thead> <tr> <th>Municipality</th><th>2005/06</th></tr> </thead> <tbody> <tr> <td>Buffalo City (Mdantsane)</td><td>Nil</td></tr> <tr> <td>Nelson Mandela Motherwell</td><td>R6.031m</td></tr> <tr> <td>KSD Ngangelizwe</td><td>Nil</td></tr> <tr> <td><b>TOTAL</b></td><td><b>R6.031m</b></td></tr> </tbody> </table>	Municipality	2005/06	Buffalo City (Mdantsane)	Nil	Nelson Mandela Motherwell	R6.031m	KSD Ngangelizwe	Nil	<b>TOTAL</b>	<b>R6.031m</b>
Municipality	2005/06										
Buffalo City (Mdantsane)	Nil										
Nelson Mandela Motherwell	R6.031m										
KSD Ngangelizwe	Nil										
<b>TOTAL</b>	<b>R6.031m</b>										

	Transfers will be made to Municipalities as deemed necessary and within the framework of the Payment Schedule above, after approval of project business plans.
Capacity and preparedness of the transferring department	The Departmental Urban Renewal & Human Settlement Redevelopment division has been identified to manage this programme and the necessary capacity and expertise exists to undertake this task.

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