

**PROVINCIAL NOTICE**

**P.N. ....../2020**

**..... 2020**

**WESTERN CAPE PROVINCIAL TREASURY**

**DIVISION OF REVENUE ACT, 2020 (ACT 4 OF 2020)**

**AMENDED ALLOCATIONS TO MUNICIPALITIES**

I, David John Maynier, Provincial Minister of Finance and Economic Opportunities in the Western Cape, in terms of section 30(2)(c) of the Division of Revenue Act, 2020 (Act 4 of 2020)(the Act), read with the Western Cape Adjustments Appropriation (COVID-19) Act (2020/21 Financial Year), 2020, publish the amendments to the—

- (a) allocations made by the Province to municipalities in terms of section 30(2)(a)(i) of the Act, as published under Provincial Notice 21/2020 dated 10 March 2020; and
- (b) conditions imposed and other information indicated in respect of such allocations in terms of section 30(2)(a)(v) of the Act, as published under Provincial Notice 21/2020 dated 10 March 2020.

This notice takes effect on the date of commencement of the Western Cape Adjustments Appropriation (COVID-19) Act (2020/21 Financial Year), 2020.

Signed at Cape Town on this ..... day of July 2020.

**DJ MAYNIER**  
**PROVINCIAL MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES**

<b>HUMAN SETTLEMENTS DEVELOPMENT GRANT (BENEFICIARIES)</b>	
<b>Transferring provincial department</b>	Human Settlements (Vote 8)
<b>Strategic goal/Outcome</b>	The creation of sustainable human settlements that enables an improved quality of household life. Enable a resilient, sustainable, quality and inclusive living environment.
<b>Grant purpose</b>	To provide funding for the creation of sustainable human settlements.
<b>Outcome statements</b>	The facilitation and provision of basic infrastructure, top structures and basic social and economic amenities that contribute to the establishment of sustainable human settlements.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Financial interventions and measures that improve access to human settlement development and the property market.</li> <li>• Number of informal settlement households upgraded.</li> <li>• Number of social and rental housing units developed.</li> <li>• Hectares of well-located land and property acquired and developed.</li> <li>• Number of Rural Housing units developed.</li> <li>• Number of serviced sites developed and provided.</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<p>National Development Plan, and more specifically:</p> <ul style="list-style-type: none"> <li>• National Priority 4: Spatial integration, human settlements and local government.</li> <li>• Vision Inspired Priority (VIP) 4: Mobility and Spatial Transformation.</li> </ul>
<b>Details contained in business/implementation plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators</li> <li>• Outputs</li> <li>• Key activities</li> <li>• Monitoring and reporting</li> </ul>
<b>Conditions</b>	<p>Funds for this grant will only be released upon:</p> <ul style="list-style-type: none"> <li>• Receipt of signed off municipal or provincial business plans supported by a project list per housing programme that indicate the readiness of projects for implementation, including cash flow projections report and compliance certificates.</li> <li>• Municipalities to sign a service delivery agreement with the department on their delivery targets.</li> <li>• Allocations to municipalities will only be gazetted for projects that are being implemented and new projects that are ready to be implemented.</li> <li>• Payments to municipalities will be contingent on their performance as assessed in reports submitted through the Housing Subsidy System (HSS) for project and programme administration.</li> <li>• Western Cape Provincial Government may, if a proven need exists, utilise up to 5 per cent (5%) of the provincial allocation for the Operational Capital Budget Programme (OPSCAP) to support the implementation of the approved national and provincial housing, and accredited municipal programmes and priorities.</li> </ul>

**HUMAN SETTLEMENTS DEVELOPMENT GRANT (BENEFICIARIES)**

	<ul style="list-style-type: none"> <li>• The Minister of Human Settlements may identify and approve a project as a priority project upon pronouncement by the State President, Cabinet, the Minister and/or Human Settlements MinMec.</li> <li>• A national priority project will satisfy one or more of the following conditions:             <ul style="list-style-type: none"> <li>– The project promotes a national development interest including poverty eradication, equality, sustainable development and/or dignity of communities and citizens;</li> <li>– The project promotes the targets and outputs contained in National Priority 4;</li> <li>– The project promotes a good national practice in human settlement development; and</li> <li>– The approval of the project would result in the alleviation of an emergency and/or a life threatening situation.</li> </ul> </li> <li>• All new projects must form part of the Performance and Delivery Agreements signed in terms of National Priority 4, Vision Inspired Priority (VIP) 4, Provincial Multi-year Housing Plans, National, Provincial and Local Spatial Development Frameworks and Human Settlement Sector Plans and complies with the Housing Code and readiness criteria for implementation.</li> <li>• Provinces must make appropriate budget allocations to the National Upgrading Support Programme to improve capacity to upgrade informal settlement households.</li> <li>• The targets per province and accredited municipalities must be consistent with the outputs and targets contained in the Delivery Agreements between the Minister, MECs and, where appropriate, with Mayors.</li> <li>• The Department reserves the right to transfer or pay third parties directly if the municipality is underperforming or having governance issues.</li> <li>• The Department reserves the right to shift funding from non-performing projects to performing projects in consultation with municipalities, including allocating funds to other municipalities. An allocation letter or official correspondence, countersigned by the affected municipality, will confirm agreement in terms of the shifts and allow the municipalities to start with the procurement process while gazetting will follow as per the budget process.</li> </ul>
<p><b>Allocation criteria</b></p>	<ul style="list-style-type: none"> <li>• This is a grant to beneficiaries/households and not to municipalities. The allocation is indicative to assist the municipalities, as agents of the department, in planning.</li> <li>• The allocations to municipalities will only be made if their business plans will contribute to National Priority 4 and Vision Inspired Priority (VIP) 4.</li> <li>• Funding will be allocated based on the readiness of projects contained in the business plans.</li> </ul>

<b>HUMAN SETTLEMENTS DEVELOPMENT GRANT (BENEFICIARIES)</b>	
<b>Reason not incorporated in equitable share</b>	A conditional grant enables the national department to provide effective oversight, ensure compliance with the housing code and direct portions of the grant to accredited municipalities.
<b>Past performance</b>	Actual expenditure as per Annual Report: 2017/18: R2.194 billion; 2018/19: R2.096 billion; 2019/20: R2.173 billion
<b>Projected life</b>	It is a long term grant of which the exact life span cannot be stipulated as the government has an obligation to assist the poor with the provision of human settlements.
<b>MTEF allocations</b>	2020/21: R1.695 billion; 2021/22: R2.025 billion; 2022/23: R2.105 billion
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Instalments are done as per the approved payment schedule to the City of Cape Town. The final tranche will be based on actual delivery against previous transfers, taking into account payments done by the Department on behalf of the CoCT.</li> <li>• As stipulated in contracts with municipalities, approved business plans and/or according to the tranche payment policy.</li> <li>• The Department will pay contractors directly from the respective municipal allocations if a municipality does not comply to section 38(1)(j) of the PFMA.</li> <li>• In most cases the HSDG is exempt from VAT. In cases where it is not exempt, all VAT claimed from SARS must be allocated to the projects and not utilised as own revenue.</li> </ul>
<b>Responsibilities of the Provincial transferring officer and receiving officer</b>	<p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Gazette the indicative budget allocations determined for municipalities and enter into payment schedule arrangements/agreements. This grant is classified as a transfer to households and not as transfers to municipalities.</li> <li>• Support accredited municipalities in carrying out the functions delegated as per the accreditation framework.</li> <li>• Monitor the provincial and municipal performance on grant, financial and non-financial, and control systems related to the human settlements conditional grant.</li> <li>• Provide support to municipalities with regards to human settlement delivery as may be required.</li> <li>• Undertake structured and other visits to municipalities.</li> <li>• Facilitate regular strategic interaction between national and provincial departments of human settlements and accredited municipalities.</li> <li>• Submit 2019/20 annual report to the national department on or before 30 September 2020.</li> <li>• Utilise the Housing Subsidy System (HSS) for the administration of all human settlement delivery processes.</li> <li>• Ensure the effective and efficient utilisation of the Housing Subsidy System at municipal level.</li> <li>• Comply with the responsibilities of the receiving officer outlined in the annual Division of Revenue Act (DoRA).</li> <li>• Comply with the terms and conditions of the national performance agreements and provincial and local delivery agreements.</li> <li>• Submit quarterly reports on funds allocated and utilised on programmes and projects in respect of OPSCAP.</li> </ul>

<b>HUMAN SETTLEMENTS DEVELOPMENT GRANT (BENEFICIARIES)</b>	
	<p><b>Responsibilities of the municipality</b></p> <ul style="list-style-type: none"> <li>• Comply with the terms and conditions of the provincial and municipal performance agreements.</li> <li>• City of Cape Town (CoCT) to submit monthly reports on funds allocated and utilised on programmes and projects.</li> <li>• Other municipalities to submit claims or progress reports to access funding.</li> <li>• Provide the Department with reports on actual delivery.</li> <li>• Submit business plans aligned with Vision Inspired Priority 4 (VIP) 4 and National Priority 4.</li> <li>• All procurement processes must be in line with the Municipal Finance Management Act (MFMA) and government prescripts. All contractors must be registered with the NHBRC and CIDB.</li> <li>• Allow provincial and national officials access to all financial records pertaining to the grant.</li> <li>• Must have effective and efficient internal control processes in place.</li> <li>• Municipalities are to ensure that contractors are paid within 30 days of certification of invoices.</li> <li>• The Municipal Manager to apply for roll-overs and if necessary, to pay back unspent funds.</li> </ul>
<b>Process for approval of allocations for the 2021/22 financial year</b>	<p>First draft municipal business plans to be submitted to the provincial department by 15 August 2020.</p> <p>Submit final municipal business plans, project lists including cash flow projections, and compliance certificates to the provincial department by 15 January 2021.</p> <p>Department must submit the approved 2021/22 provincial plan to National Department of Human Settlements by 15 February 2021.</p>

Category	District Municipality	Demarcation code	Municipality	2020/21 Allocation R'000
<b>Total allocated</b> <sup>Note1</sup>				(85 826)
<b>Funds retained by the Department</b> <sup>Note2</sup>				(116 439)
<b>TOTAL</b>				<b>(202 265)</b>

Note 1: <b>Total allocated</b>	<b>HUMAN SETTLEMENTS DEVELOPMENT GRANT (BENEFICIARIES)</b>
	<b>Municipal Financial Year</b>
	<b>2020/21 Allocation (R'000)</b>
The detail per municipality that are impacted with the grant reduction will be gazette in due course.	(85 826)

Note 2: <b>Funds retained by the Department</b>	<b>HUMAN SETTLEMENTS DEVELOPMENT GRANT (BENEFICIARIES)</b>
	<b>Municipal Financial Year</b>
	<b>2020/21 Allocation (R'000)</b>
Departmental priority projects	(39 251)
Individual subsidies, including FLISP	(9 595)
Land release projects	(55 480)
Extended Enhanced Discount Benefit Scheme	(2 000)
NHBRC	-
OPSCAP (The amount for OPSCAP excludes R10.116 million for 2020/21 which is gazetted under the Municipal Accreditation and Capacity Building Grant. The total OPSCAP amount is R85.264 million).	(10 113)
<b>TOTAL</b>	<b>(116 439)</b>

<b>TITLE DEEDS RESTORATION GRANT</b>	
<b>Transferring provincial department</b>	Human Settlements (Vote 8)
<b>Strategic goal/Outcome</b>	The creation of security of tenure and well-functioning equitable residential property market.
<b>Grant purpose</b>	To provide funding for the eradication of the pre-2014 title-deeds registration backlog and the professional fees associated with it, including beneficiary verification.
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Tenure security for all recipients of government-subsidized houses.</li> <li>• Functioning of the secondary property market.</li> <li>• Improved quality of life.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of title-deeds registered in favour of beneficiaries of government subsidised housing (pre 1994 and post 1994 for projects completed by 31 March 2014).</li> <li>• Number of title-deeds issued to beneficiaries of government subsidised housing (pre 1994 and post 1994 for projects completed by 31 March 2014).</li> <li>• Number of townships proclaimed and register opened.</li> <li>• Number of beneficiaries confirmed as title deed holders.</li> <li>• Enhanced institutional capacity of municipalities and provinces in respect of property registration.</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<p>National Development Plan, and more specifically:</p> <ul style="list-style-type: none"> <li>• National Priority 4: Spatial integration, human settlements and local government.</li> <li>• Vision Inspired Priority (VIP) 4: Mobility and Spatial Transformation.</li> </ul>
<b>Details contained in business/implementation plan</b>	<ul style="list-style-type: none"> <li>• Medium term strategic framework, Medium Term Expenditure Framework targets, outputs and outcomes.</li> <li>• Implementation Agreement between national, provincial and local government.</li> <li>• Proof of joint planning with municipalities.</li> <li>• Title-deeds project pipeline matrix.</li> <li>• Annual and quarterly Outputs and targets.</li> <li>• Project social facilitation plan.</li> <li>• Cash flow projections (payment schedule).</li> <li>• Quarterly reporting.</li> <li>• Procurement plan, confirming the appointment of requisite service providers.</li> </ul>

<b>TITLE DEEDS RESTORATION GRANT</b>	
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• These funds cannot be used to fund title-deeds for housing for projects completed after 31 March 2014.</li> <li>• Provinces must submit implementation business plans approved by the Accounting Officers (AO) by pre-agreed dates.</li> <li>• The transfer of the first tranche of funds, to be paid at the beginning of the financial year, is conditional on approval by the national Department of Human Settlements (DHS) of provincial business plans.</li> <li>• The transfer of subsequent tranches is conditional on provinces submitting a detailed report on the delivery and expenditure on the previous transfer. Said report is to include: <ul style="list-style-type: none"> <li>– Agreed deliverables supported by evidence.</li> <li>– Actual expenditure against the planned cash flows for the same period.</li> <li>– Compliance with the Housing Subsidy System and the Title Restoration Project Dashboard.</li> <li>– Cash flows for the remainder of the year.</li> </ul> </li> <li>• Provinces must capture the targets and budget and capturing delivery statistics and expenditure monthly on the housing subsidy system (HSS), the basic accounting system (BAS), the Title Restoration Project Dashboard and the Project Readiness Matrix.</li> <li>• Provincial Heads of Human Settlements Departments (HoDs) must sign-off and confirm that projects captured in the implementation plans are assessed and approved for implementation in the 2020/21 financial year.</li> <li>• Provinces may only spend funds in line with the approved business plans.</li> <li>• Provinces must submit monthly and quarterly financial and non-financial reports to the national Department of Human Settlements.</li> <li>• Provinces which do not spend 60 per cent of their transferred funds by the end of each quarter, may have subsequent transfers stopped and reallocated in terms of sections 18 and 19 of the Division of Revenue Act, 2018.</li> <li>• Provinces may request in writing to the transferring officer approval to amend their approved business plan. Requests must be submitted between 15 August and 15 October 2020. This will be the only time that provinces can request amendment to the approved business plan. Revised plans will be approved by 30 October 2020.</li> </ul>
<b>Allocation criteria</b>	The grant is allocated per province on the basis of a comprehensive business plan informed by the confirmed title deed backlog per province.
<b>Reason not incorporated in equitable share</b>	A conditional grant enables the national department to provide effective oversight, ensure compliance with the housing code and direct portions of the grant to accredited municipalities.
<b>Past performance</b>	Actual expenditure as per Annual Report: 2018/19: R50.361 million 2019/20: R64.410 million
<b>Projected life</b>	Three years, ending in 2020/21
<b>MTEF allocations</b>	2020/21: R23.520 million
<b>Payment schedule</b>	Monthly instalments as per the payment schedule approved by National Treasury.



<b>TITLE DEEDS RESTORATION GRANT</b>	
<b>Responsibilities of the Provincial transferring officer and receiving officer</b>	<p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Provinces must ensure alignment of financial and non-financial reporting in terms of reporting in BAS, HSS, approved provincial business plans, and provincial quarterly reports.</li> <li>• The monthly expenditure report, as contemplated in section 12(3) of the 2019, 2020 and 2021 Division of Revenue Act (DoRA) and section 40(4)(c) of the Public Finance Management Act (PFMA), must be submitted by the 15th of every month for the preceding month.</li> <li>• The monthly Division of Revenue Act (DoRA) expenditure and quarterly financial and non-financial reports must be signed by both the Head of Department (HoD) and the relevant provincial treasury Head of Department (HoD).</li> <li>• Submit the reports on the outputs as mentioned on this framework above by the 15<sup>th</sup> of every month for the preceding month.</li> <li>• Facilitate regular interaction between DHS and provincial departments of human settlements and municipalities.</li> </ul> <p><b>Responsibilities of the municipality</b></p> <ul style="list-style-type: none"> <li>• Comply with the terms and conditions of the provincial and municipal performance agreements.</li> <li>• Municipalities to submit monthly reports on funds allocated and utilised on programmes and projects.</li> <li>• Submit business plans aligned with Vision Inspired Priority (VIP) 4 and National Priority 4.</li> <li>• All procurement processes must be in line with the Municipal Finance Management Act (MFMA) and government prescripts. All contractors must be registered with the NHBRC and CIDB.</li> <li>• Allow provincial and national officials access to all financial records pertaining to the grant.</li> <li>• Must have effective and efficient internal control processes in place.</li> <li>• Municipalities are to ensure that contractors are paid within 30 days of certification of invoices.</li> <li>• The Municipal Manager to apply for roll-overs and if necessary to pay back unspent funds to the Provincial Treasury.</li> </ul>
<b>Process for approval of allocations for the 2021/22 financial year</b>	<p>Draft provincial implementation plans 2021/22 financial year and project readiness matrix to be submitted to the national department of human settlements by 31 August 2020, with second draft plans submitted before end of October 2020 and the final plans submitted before 15 February 2021 for consideration.</p> <p>Consideration (assessment and possible approval) of the final provincial business must finalised before 15 March 2021.</p> <p>National department to assess and inform provinces by pre-agreed dates, whether provinces are allocated direct or indirect allocations in 2021/22.</p>

Category	District Municipality	Demarcation code	Municipality	2020/21 Allocation R'000
<b>Funds retained by the Department</b> <sup>Note</sup>				<b>(44 432)</b>
<b>TOTAL</b>				<b>(44 432)</b>

<sup>Note</sup> Funds retained by the Department	TITLE-DEEDS RESTORATION GRANT
	Municipal Financial Year
	2020/21 Allocation (R'000)
Title Deeds Restoration Grant	(44 432)
<b>TOTAL</b>	<b>(44 432)</b>

<b>TRANSPORT SYSTEMS - RAIL SAFETY</b>	
<b>Transferring provincial department</b>	Transport and Public Works Western Cape (Vote 10)
<b>Strategic goal/Outcome</b>	Improved public transport services.
<b>Grant purpose</b>	To develop a collective Government funded venture between the Western Cape Department of Transport and Public Works, the City of Cape Town and the Passenger Rail Agency of South Africa (PRASA) to address rail asset protection and commuter security.
<b>Outcomes statements</b>	To deliver effective and efficient enforcement services to enhance passenger security and asset protection which will support the creation of a safe and secure environment for the optimal functioning of rail services within the City of Cape Town.
<b>Outputs</b>	Focussed security unit to supplement existing security personnel.
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• National Priority 1: Economic transformation and job creation.</li> <li>• National Priority 5: Social cohesion and safe communities.</li> <li>• Vision Inspired (VIP) 1: Safe and Cohesive Communities.</li> <li>• Vision Inspired (VIP) 2: Growth and Jobs.</li> </ul>
<b>Details contained in business/implementation plan</b>	<ul style="list-style-type: none"> <li>• Finalisation of a Memorandum of Understanding with the municipality.</li> <li>• Timeous implementation of projects.</li> <li>• Implementation by the end of the municipal financial year (June 2020).</li> <li>• Monitoring Mechanisms: <ul style="list-style-type: none"> <li>- In-year Monitoring Reporting;</li> <li>- Progress meetings and performance reporting;</li> <li>- Steering committee meetings; and</li> <li>- Site visits.</li> </ul> </li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Compliance with section 38(1)(j) of the Public Finance Management Act, 1999 (Act 1 of 1999).</li> <li>• Compliance with section 71(1) of the Municipal Finance Management Act, 2003 (Act 56 of 2003).</li> <li>• Monthly performance reports to be provided (Financial and Non-Financial).</li> <li>• Establishment of Steering Committee to manage the project.</li> <li>• Approval of projects by the relevant Executive Management Structure of PRASA and the City of Cape Town.</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Needs analysis done as part of the of Cape Town's Rail Business Plan.</li> <li>• Departmental budget availability.</li> </ul>
<b>Reason not incorporated in equitable share</b>	Increasing and ongoing issues of vandalism and crime on the rail network has necessitated an urgent response to securing the network.

<b>TRANSPORT SYSTEMS - RAIL SAFETY</b>	
<b>Past performance</b>	<p>2018/19: R16 million</p> <p>The Western Cape Government has partnered with PRASA and the City of Cape Town during the 2018/19 financial year to establish the Rail Security Unit. Additionally, the WCG has partnered with PRASA and the City on several ventures including:</p> <ul style="list-style-type: none"> <li>• On-Board Security for the Southern Line Pilot Project.</li> <li>• Provision of security on Park and Rides for the Southern Line Pilot Project.</li> <li>• The replacement of concrete palisade fencing between Langa and Bonteheuwel, Bonteheuwel and Lavistown; and Netreg and Heideveld train stations.</li> <li>• Scrambler Motorbike Security Project.</li> <li>• High mast lighting.</li> <li>• Glencairn Dune Stabilization Project.</li> </ul>
<b>Projected life</b>	The allocation allows for the continued support of the rail security programme beyond its pilot year till 2022/23.
<b>MTEF allocations</b>	2020/21: R12 million
<b>Payment schedule</b>	In accordance with the signed agreement.
<b>Responsibilities of the Provincial transferring officer and receiving officer</b>	<p><b>Responsibilities of the provincial transferring officer</b></p> <ul style="list-style-type: none"> <li>• Conclude agreements;</li> <li>• Comply with agreements;</li> <li>• Effect transfer payments;</li> <li>• Evaluate reports;</li> <li>• Conduct site visits;</li> <li>• Attend monthly steering committee meetings; and</li> <li>• Obtain section 38(1)(j) Certificates.</li> </ul> <p><b>Responsibilities of the receiving officer</b></p> <ul style="list-style-type: none"> <li>• Monthly reporting on project performance (Financial and Non-Financial).</li> <li>• Submission of financial reports and audited reports as per the transfer agreement.</li> <li>• Provision of audited annual financial statements.</li> <li>• Provide section 38(1)(j) Certificates.</li> <li>• Establish Steering Committee.</li> <li>• The Municipal Manager to apply for roll-overs and if necessary to pay back unspent funds.</li> </ul>
<b>Process for approval of allocations for the 2020/21 financial year</b>	<p>The municipalities request financial assistance from the Department on the basis that sufficient capacity exists to manage the project.</p> <p>Requests are assessed against previous project costs and anticipated budget allocations.</p> <p>Allocations are agreed to on the condition that the municipalities enter into an agreement with the Department of Transport and Public Works to adhere to these statutory requirements.</p>

Category	District Municipality	Demarcation code	Municipality	2020/21 Allocation R'000
A		Metro	City of Cape Town	(6 000)
<b>TOTAL</b>				<b>(6 000)</b>

<b>PROVIDE RESOURCES FOR THE TOURISM SAFETY LAW ENFORCEMENT UNIT PROJECT</b>	
<b>Transferring provincial department</b>	Department of Economic Development and Tourism (Vote 12)
<b>Strategic goal/Outcomes</b>	<p>The Tourism Safety unit's mandate is to deliver on the Vision Inspired Priority (VIP) 1: Safe and cohesive communities as well as VIP 2: Growth and Jobs. The Western Cape's Tourism Strategy, as well as the Departments 5-year strategy, has identified tourism as one of the key sectors offering the Western Cape the greatest potential return on its investment, in terms of economic growth and job creation.</p> <p>A tourism safety strategy has been developed to identify key programmes required to improve tourism safety, perception of the destination as well as the support offered to tourists who have fallen victim to any safety or security incidents. Visitor safety is a key priority in improving the attractiveness &amp; brand of the destination as well as ensuring that visitors are not negatively impacted by safety and security incidents whilst visiting the Western Cape for Business or Leisure activities.</p>
<b>Grant purpose</b>	To fund the City of Cape Town for the establishment of the Tourism Safety Law Enforcement Unit.
<b>Outcome statements</b>	Improved Tourism Safety Perception.
<b>Outputs</b>	Quarterly oversight reports on the establishment of the Tourism Safety Law Enforcement Unit.
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• National Priority 5: Social Cohesion and Safe Communities.</li> <li>• Vision Inspired Priority (VIP) 1: VIP 1: Safe and Cohesive Communities of the Provincial Strategic Plan (PSP) sets out that a lack of safety affects all other aspects of our lives, such as growing the economy, creating jobs, enjoying public spaces, attending school and recreational activities, and accessing government services.</li> <li>• To provide a safe environment for the tourists, the department will be establishing a Tourism Law Enforcement unit in partnership with the City of Cape Town (CoCT). This project will see the Western Cape directly countering the negative perception of potential tourists to the country and Western Cape as this unit will be deployed to tourism hotspots that have been identified as crime hotspots as well.</li> </ul>
<b>Details contained in business/implementation plan</b>	<p><b>Project Objectives</b></p> <ul style="list-style-type: none"> <li>• Deliver effective and efficient law enforcement services through the optimal emergency deployment of resources and the application of technology in support thereof.</li> <li>• Deliver law enforcement services in partnerships with the community.</li> <li>• Create a safe and secure environment for the optimal functioning of all stakeholders within the City.</li> </ul> <p><b>Operational Plan</b></p> <ul style="list-style-type: none"> <li>• The Tourism Enforcement Team will be deployed at agreed tourism hotspots in Cape Town.</li> </ul> <p><b>Monitoring, Evaluation and Reporting</b></p> <ul style="list-style-type: none"> <li>• Quarterly written progress reports by the City of Cape Town to be submitted to the relevant programme manager from Department of Economic Development and Tourism (DEDAT).</li> <li>• Regular meetings to be held at the reasonable instance and request of Department of Economic Development and Tourism (DEDAT) to discuss the progress of or any impediments to the implementation of this project.</li> </ul>

<b>PROVIDE RESOURCES FOR THE TOURISM SAFETY LAW ENFORCEMENT UNIT PROJECT</b>	
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Adhere to the Transfer Payment Conditions and reporting requirements.</li> <li>• The progress reports must reflect the achieved targets and outputs, as well as a detailed breakdown of expenditures and the balance of the funds to date. These progress reports must be submitted together with any supporting document(s) substantiating the achieved targets and outputs.</li> <li>• Memorandum of Agreement (MOAs) to be signed by the transferring department and the recipient municipality before transfers are made.</li> <li>• The City of Cape Town commits to cover the costs (capital and operational expenditure) of the following: <ul style="list-style-type: none"> <li>- Training &amp; Uniforms</li> <li>- Radios and Epic Devices</li> <li>- Vehicles (includes maintenance)</li> <li>- Firearms</li> <li>- Firearm safes</li> <li>- Salaries &amp; COE costs for the officers (Including inspectors).</li> </ul> </li> </ul>
<b>Allocation criteria</b>	Funds will be made available to the City of Cape Town as per the Transfer Payment Agreement for the establishment of the Tourism Safety Law Enforcement Unit.
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Tourism is a critical export commodity of the Western Cape. To provide a safe environment for the tourists and as part of the second lever of the Tourism Safety strategy, the department will be establishing a Tourism Law Enforcement unit in partnership with City of Cape Town (CoCT).</li> <li>• The project was conceptualised by Western Cape Government, specifically the Department of Economic Development and Tourism. The department approached the City of Cape Town's Community Safety Directorate to be part of the project, because without their collaboration the project will be ineffective. The inputs required are the time and services of trained and qualified law enforcement officers/inspectors currently employed by the City of Cape Town. For this project to work, the redeployment of these officers will be essential. The City of Cape Town offered to provide these officers, but the cost of implementing the specific Tourism Safety Law Enforcement Unit project will need to be carried by the department (DEDAT) due to a lack of budget and having capacity constraints. The department agreed to these conditions.</li> <li>• Phase one is currently being rolled out, which started on the 11<sup>th</sup> of November 2019. Phase 2 will commence in April 2020, for a period of 3 years until March 2023.</li> </ul>
<b>Past performance</b>	The first phase of this project was successfully launched in November 2019. Phase 2 is scheduled for implementation in the 2020/2021 financial year.
<b>Projected life</b>	2020/21 MTREF
<b>MTEF allocations</b>	2020/21: R 4.920 million; 2021/22: R10.480 million; 2022/23: R10.983 million.
<b>Payment schedule</b>	Payment of R4.920 million will be disbursed to the City of Cape Town in accordance with the signed Transfer Payment Agreement (TPA) for the 2020/21 financial year and in accordance with the Transfer Payment Policy requirements of the Department of Economic Development and Tourism.

**PROVIDE RESOURCES FOR THE TOURISM SAFETY LAW ENFORCEMENT UNIT PROJECT**

<p><b>Responsibilities of the provincial transferring officer and receiving officer</b></p>	<p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Draft, consult and conclude agreements with the City of Cape Town.</li> <li>• Approve the business plan provided by the City of Cape Town.</li> <li>• Monitoring the progress of the Tourism Safety Law Enforcement project in the City of Cape Town.</li> <li>• Provide the necessary guidelines and templates for plans and reporting requirements.</li> <li>• Evaluate reports and provide feedback.</li> </ul> <p><b>Responsibilities of the municipality</b></p> <ul style="list-style-type: none"> <li>• Submit a business plan to the transferring department (Department of Economic Development and Tourism).</li> <li>• Enter into an agreement with the transferring officer on or before 30 March 2020.</li> <li>• The receiving officer must submit written progress reports, including a final progress report to the relevant programme manager of the Transferring Department within 7 (seven) business days after the end of each of the following periods:             <ul style="list-style-type: none"> <li>- Progress report period: 01 June 2020 to 30 September 2020;</li> <li>- Progress report period: 01 October 2020 to 31 December 2020;</li> <li>- Final progress report period: 01 January 2021 to 31 March 2021.</li> </ul> </li> <li>• Comply with the responsibilities and conditions of the Transfer Payment Agreement.</li> </ul>
<p><b>Process for approval of allocations for the 2021/22 financial year</b></p>	<p>Dependent on the success of the current year's reporting and mutual agreement between transferring department and the City of Cape Town.</p>

Category	District Municipality	Demarcation code	Municipality	2020/21 Allocation R'000
A		Metro	City of Cape Town	(8 665)
<b>TOTAL</b>				<b>(8 665)</b>

<b>COMMUNITY LIBRARY SERVICES GRANT</b>	
<b>Transferring provincial department</b>	Cultural Affairs and Sport (Vote 13)
<b>Strategic goal/Outcome</b>	To enable the South African society to gain access to knowledge and information that will improve their socio-economic status.
<b>Grant purpose</b>	To transform urban and rural public 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.
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Improved coordination and collaboration between national, provincial and local government on library services.</li> <li>• Transformed and equitable library and information services delivered to all rural and urban communities.</li> <li>• Improved library infrastructure and services that reflect the specific needs of the communities it serves.</li> <li>• Improved staff capacity at urban and rural libraries to respond appropriately to community knowledge and information needs.</li> <li>• Improved culture of reading.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Signed agreements between national, provincial and local government on the planning, management and maintenance of public libraries.</li> <li>• 656 public library posts in local municipalities funded.</li> <li>• 1 new library building project funded.</li> <li>• 1 library upgrade projects funded.</li> <li>• 1 Mini Libraries for the blind established.</li> <li>• Capacity building programmes for public library managers.</li> </ul>
<b>Priority outcome(s) of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• National Priority 1: Economic transformation and job creation.</li> <li>• National Priority 2: Education, Skills and health.</li> <li>• National Priority 5: Social Cohesion and Safe Communities.</li> <li>• Vision Inspired Priorities (VIP) 1: Safe and Cohesive Communities.</li> <li>• Vision Inspired Priorities (VIP) 2: Growth and Jobs.</li> <li>• Vision Inspired Priorities (VIP) 3: Empowering People.</li> </ul>
<b>Details contained in business/implementation plan</b>	<ul style="list-style-type: none"> <li>• Outcome indicators.</li> <li>• Output indicators.</li> <li>• Inputs.</li> <li>• Key activities.</li> </ul>



<b>COMMUNITY LIBRARY SERVICES GRANT</b>	
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Compliance with the Conditional Grant Framework for Community Library Services.</li> <li>• Compliance with section 38(1)(i) of the Public Finance Management Act, 1999 (Act No. 1 of 1999).</li> <li>• Compliance with section 71(1) of the Municipal Finance Management Act, 2003 (Act 56 of 2003).</li> <li>• Grant to be utilised for personnel expenditure, maintenance and upgrading according to the signed memorandums of agreement and business plans between the Department of Cultural Affairs and Sport and municipalities.</li> <li>• Business plans to exclude depreciation.</li> <li>• Funds for personnel added to the 2020 MTEF to be used to address the Schedule 5 function shift imperative in Category B municipalities.</li> <li>• Monthly financial and progress reports are to be submitted to the Department.</li> <li>• 72 monitoring visits to municipalities.</li> <li>• All VAT claimed from SARS must be allocated to the project.</li> <li>• All interest earned by the municipalities on the funding, shall be for the benefit of the project.</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Costed plans submitted by the municipalities listing projects as per provincial priorities. The Department will evaluate the plans against the predetermined criteria.</li> <li>• Municipal percentage of provincial share of population, book circulation and the number of libraries are used in calculating the staffing allocations.</li> </ul>
<b>Reason not incorporated in equitable share</b>	The financial assistance is function-specific and libraries are a provincial competency.
<b>Past performance</b>	2017/18: R163.377 million; 2018/19: R167.631 million; 2019/20: R176.763 million
<b>Projected life</b>	Ongoing/Reviewed annually.
<b>MTEF allocations</b>	2020/21: R141.034 million; 2021/22: R186.999 million; 2022/23: R196.547 million
<b>Payment schedule</b>	(Three tranches) July 2020; October 2020; January 2021.
<b>Responsibilities of the provincial transferring officer and receiving officer</b>	<p><b>Responsibilities of the provincial department</b></p> <ul style="list-style-type: none"> <li>• Identify risks and challenges.</li> <li>• Monitor and evaluate implementation.</li> <li>• Transfer funds to municipalities to assist implementation of library projects.</li> <li>• Submit monthly and quarterly performance reports to Department of Arts and Culture (DAC).</li> <li>• Submit quarterly performance information to Provincial Treasury.</li> <li>• Determine outputs and targets for 2019/20 with municipalities.</li> <li>• Department of Cultural Affairs and Sport to submit final business plans to DAC by February 2020.</li> <li>• Submit quarterly expenditure reports of municipalities to DAC.</li> </ul>

<b>COMMUNITY LIBRARY SERVICES GRANT</b>	
	<p><b>Responsibilities of the municipalities</b></p> <ul style="list-style-type: none"> <li>• Municipalities to cost business plans and sign memorandums of agreement (MOAs) with the Department of Cultural Affairs and Sport.</li> <li>• Submit monthly expenditure reports of municipalities to Department of Cultural Affairs and Sport (DCAS).</li> <li>• The Municipal Manager to apply for roll-overs and if necessary to pay back unspent funds.</li> </ul>
<p><b>Process for approval of allocations for the 2021/22 financial year</b></p>	<ul style="list-style-type: none"> <li>• The Department of Cultural Affairs and Sport must submit draft allocations, based on above allocation criteria, to the municipalities by the 30<sup>th</sup> September 2020.</li> <li>• The municipalities must submit their draft business plans to Department of Cultural Affairs and Sport by the 31<sup>st</sup> of October 2020.</li> <li>• The Department of Cultural Affairs and Sport must evaluate the business plans and return it to municipalities by the 31<sup>st</sup> of January 2021.</li> <li>• The Department of Cultural Affairs and Sport must ensure that final allocations are gazetted in March 2021.</li> <li>• Municipalities must submit their final business plans to the department by May 2021.</li> </ul>

Category	District Municipality	Demarcation code	Municipality	2020/21 Allocation R'000
A		Metro	City of Cape Town	(7 905)
B	DC1	WC011	Matzikama	(877)
B	DC1	WC013	Bergvrievier	(639)
B	DC1	WC014	Saldanha Bay	(1 701)
B	DC1	WC015	Swartland	(1 028)
B	DC2	WC022	Witzenberg	(652)
B	DC2	WC023	Drakenstein	(3 035)
B	DC2	WC024	Stellenbosch	(3 427)
B	DC2	WC025	Breede Valley	(2 011)
B	DC2	WC026	Langeberg	(632)
B	DC3	WC031	Theewaterskloof	(566)
B	DC3	WC032	Overstrand	(2 316)
B	DC4	WC042	Hessequa	(653)
B	DC4	WC043	Mossel Bay	(2 121)
B	DC4	WC044	George	(3 320)
B	DC4	WC045	Oudtshoorn	(1 160)
B	DC4	WC047	Bitou	(359)
B	DC4	WC048	Knysna	(1 603)
B	DC5	WC052	Prince Albert	(171)
<b>TOTAL</b>				<b>(34 176)</b>

Category	DC	Number	Municipality	Grant total: Allocation	
				Provincial Financial Year	Municipal Financial Year
				2020/21 Allocation (R'000)	2020/21 Allocation (R'000)
A	<b>Cape Town</b>		<b>City of Cape Town</b>	<b>( 22 570 )</b>	<b>( 22 570 )</b>
B	DC1	WC011	Matzikama	( 877 )	( 877 )
B	DC1	WC013	Bergrivier	( 639 )	( 639 )
B	DC1	WC014	Saldanha Bay	( 1 701 )	( 1 701 )
B	DC1	WC015	Swartland	( 1 028 )	( 1 028 )
<b>Total: West Coast District</b>				<b>( 4 245 )</b>	<b>( 4 245 )</b>
B	DC2	WC022	Witzenberg	( 652 )	( 652 )
B	DC2	WC023	Drakenstein	( 3 035 )	( 3 035 )
B	DC2	WC024	Stellenbosch	( 3 427 )	( 3 427 )
B	DC2	WC025	Breede Valley	( 2 011 )	( 2 011 )
B	DC2	WC026	Langeberg	( 632 )	( 632 )
<b>Total: Cape Winelands District</b>				<b>( 9 757 )</b>	<b>( 9 757 )</b>
B	DC3	WC031	Theewaterskloof	( 566 )	( 566 )
B	DC3	WC032	Overstrand	( 2 316 )	( 2 316 )
<b>Total: Overberg District</b>				<b>( 2 882 )</b>	<b>( 2 882 )</b>
B	DC4	WC042	Hessequa	( 653 )	( 653 )
B	DC4	WC043	Mossel Bay	( 2 121 )	( 2 121 )
B	DC4	WC044	George	( 3 320 )	( 3 320 )
B	DC4	WC045	Oudtshoorn	( 1 160 )	( 1 160 )
B	DC4	WC047	Bitou	( 359 )	( 359 )
B	DC4	WC048	Knysna	( 1 603 )	( 1 603 )
<b>Total: Eden District</b>				<b>( 9 216 )</b>	<b>( 9 216 )</b>
B	DC5	WC052	Prince Albert	( 171 )	( 171 )
<b>Total: Central Karoo District</b>				<b>( 171 )</b>	<b>( 171 )</b>
<b>Total: Transfers</b>				<b>( 48 841 )</b>	<b>( 48 841 )</b>
<b>Total: Human Settlements Development Grant (HSDG)<sup>Note</sup></b>				<b>( 85 826 )</b>	<b>( 85 826 )</b>
<b>Funds retained by the Department</b>				<b>( 160 871 )</b>	<b>( 160 871 )</b>
<b>TOTAL</b>				<b>( 295 538 )</b>	<b>( 295 538 )</b>

**Note\*:** The detail per municipality that are impacted with the Human Settlements Development Grant (HSDG) reduction of R85.826 million will be gazette in due course.