



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

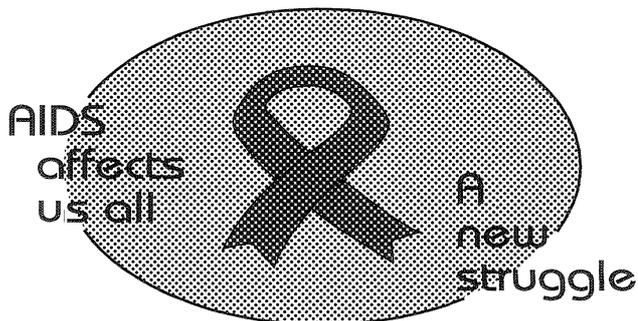
# Provincial Gazette Igazethi Yephondo Provinsiale Koerant

Vol. 20

BISHO/  
KING WILLIAM'S TOWN, 1 FEBRUARY 2013

**No. 2889**  
(Extraordinary)

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



**AIDS  
HELPLINE**

**0800 012 322**

DEPARTMENT OF HEALTH

**Prevention is the cure**

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## PROVINCIAL NOTICE

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No. 1

### EASTERN CAPE PROVINCIAL PLANNING AND TREASURY

**AMENDMENT OF PROVINCIAL NOTICE NO. 24 PUBLISHED IN PROVINCIAL GAZETTE NO. 2738 DATED 13 APRIL 2012 ON ALLOCATIONS MADE BY THE EASTERN CAPE DEPARTMENT OF LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS (VOTE 7)**

The amendment relates to information on transfers made by Eastern Cape Provincial Department of Local Government and Traditional Affairs, is published in terms of section 29(3)(a) of the Division of Revenue Act No.5 of 2012 and is an amendment to the Extraordinary Gazette No. 2738, Volume 19, published on the 13 April 2012, for general information purposes.

Dated and signed at Bhisho on this the 4 of December 2012



**PHUMULO MASUALLE**  
**MEC FOR PROVINCIAL PLANNING AND FINANCE**

**DEPARTMENT OF LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS  
(VOTE 7)  
SCHEDULE**

<b>Local Economic Development ( LED) Capacity</b>	
<b>Transferring Provincial Department</b>	<b>Department of Local Government &amp; Traditional Affairs (Vote 7)</b>
<b>Name of programme/division making transfer</b>	<b>Local Economic Development Facilitation</b>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Support and strengthen the limited capacity in categories B2, B3 and B4 municipalities by way of engaging LED Assistants</li> <li>• Deployment of LED Experts in the district municipalities, to strengthen and sustain the positive results.</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>• Number of municipalities implementing the CWP in at least two wards</li> <li>• Number of municipalities supported with LED experts and LED assistants to supplement LED capacity</li> <li>• Number of municipalities supported to review, develop and implement LED Strategies / Plans</li> <li>• Number of municipalities with LED structures (for LED intergovernmental relations)</li> <li>• Number of development initiatives supported to promote revitalization of small towns</li> <li>• Number of municipalities supported with operation clean cities and towns programme</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Submission of Business Plans signed by the municipal manager prior to transfers.</li> <li>• Transfer done subject to submission of monthly and Quarterly Progress Reports</li> <li>• Failure to submit Business Plans and Declaration of Assurance for accessing funds after 3 months from the date of notification, the department will re-allocate funding to a deserving municipality.</li> <li>• Cooperation of the municipality with our department with respect to the monitoring, evaluation of and reporting on the funding and the funded project/programme</li> <li>• Regular monitoring by Department of Local Government and Traditional Affairs.</li> <li>• Reporting requirements in terms of DORA to be strictly adhered to.</li> </ul>

	<ul style="list-style-type: none"> <li>• 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 fund.</li> <li>• Systems, strategies and capacity on LED in funded municipalities developed and implemented</li> <li>• Implementation of and reporting on the 5 Year Local Government Strategic Agenda</li> <li>• Link of the capacity programme to the approved municipal IDP</li> <li>• Full participation of our department in the process and structures for recruitment and or procurement of expert capacity and/or service providers.</li> <li>• Formal municipal financial systems are in place</li> <li>• Submission of Monthly &amp; Quarterly project implementation progress and financial reports on previous allocations</li> <li>• Submission of monthly &amp; quarterly project implementation progress and financial reports on the current allocation</li> <li>• Top up by the receiving municipality</li> </ul> <p>The department shall participate in the Project Steering / Advisory Committee of the project / programme funded</p>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• Allocations are made to municipalities according to the IDP's, MSIF and departmental LED capacity assessment report</li> <li>• Allocations are made to municipalities according to Section 154(I) of the Constitution; National and Provincial Governments, by legislative and other measures must support and strengthen the capacity of the municipalities to manage their own affairs, to exercise their powers and to perform their functions.</li> <li>• The municipality is a designated District Municipality or local municipality nominated by the District Municipality</li> <li>• LED institutional and managerial capacity in place at or in the process of being procured by the District at the municipal level</li> </ul>
<b>Reason not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• LED Policy Framework completed in 2006 places the support to local economic development environment and initiatives in the hands of national and provincial government</li> </ul>
<b>Monitoring mechanisms</b>	<ul style="list-style-type: none"> <li>• The department requires quarterly implementation reports on the progress made and monthly expenditure reports as required by the Division of Revenue Act.</li> <li>• The Department will monitor and evaluate through site/project visits, Project Advisory/ Steering Committee</li> <li>• Monitoring reports will be captured on an Excel Spreadsheet and MS Project linked to the departmental Monitoring and Evaluation System</li> </ul>
<b>Past performance</b>	<ul style="list-style-type: none"> <li>• Funded district municipalities have already started to develop their LED strategies for incorporation into IDP's</li> <li>• Continue with the deployment of LED Experts which have displayed positive results</li> </ul>

<b>Responsibility of Provincial transferring department</b>	<ul style="list-style-type: none"><li>• Approval of Business Plans that are aligned to the gazetted project principles</li><li>• Monitor progress on a monthly basis on the implementation of the activities and financial expenditure reflected in the Business Plans</li></ul>
<b>MTEF allocation</b>	<ul style="list-style-type: none"><li>• <b>2012/13 – R 3 473 million</b></li><li>• <b>2013/14 – R4 098 million</b></li><li>• <b>2014/15 - R4 344 million</b></li></ul>
<b>Projected life</b>	<ul style="list-style-type: none"><li>• The deployment of the LED Experts and Assistants will be for a period of 3 years</li></ul>
<b>Payment Schedule</b>	<ul style="list-style-type: none"><li>• Direct transfer to municipalities will be a once-off payment during the month of July 2012/13, 2013/14 &amp; 2014/15 financial years.</li></ul>

Annexure			2012/13	2013/14	2014/15
Grant Name: LED Capacity			Allocation	Allocation	Allocation
Category	Number	Municipality			
<b>Total: Metro Municipalities</b>			-	-	-
A	NMA	Nelson Mandela	-	-	-
A	EC125	Buffalo City	-	-	-
<b>Total: Amathole Municipalities DC12</b>			<b>723 205</b>	<b>808 223</b>	<b>856 717</b>
B	EC121	Mbhashe	87 990	87 990	93 269
B	EC122	Mnquma	-	-	-
B	EC123	Great Kei	-	-	-
B	EC124	Amahlahli	87 990	87 990	93 269
B	EC126	Ngqushwa	371 245	456 263	483 639
B	EC127	Nkonkobe	87 990	87 990	93 269
B	EC128	Nxuba	87 990	87 990	93 269
C	DC12	Amathole District Municipality	-	-	-
<b>Total: Cacadu Municipalities DC10</b>			<b>527 940</b>	<b>527 940</b>	<b>559 616</b>
B	EC101	Camdeboo	87 990	87 990	93 269
B	EC102	Blue Crane Route	87 990	87 990	93 269
B	EC103	Ikwezi	87 990	87 990	93 269
B	EC104	Makana	-	-	-
B	EC105	Ndlambe	87 990	87 990	93 269
B	EC106	Sundays River Valley	87 990	87 990	93 269
B	EC107	Baviaans	-	-	-
B	EC108	Kouga	-	-	-
B	EC109	Koukamma	87 990	87 990	93 269
C	DC10	Cacadu District Municipality	-	-	-
<b>Total: Chris Hani Municipalities DC13</b>			<b>439 950</b>	<b>910 923</b>	<b>965 578</b>
B	EC131	Inxuba Yethemba	-	-	-
B	EC132	Tsolwana	87 990	87 900	93 174
B	EC133	Inkwanca	87 990	87 990	93 269
B	EC134	Lukhanji	-	-	-
B	EC135	Intsika Yethu	-	-	-
B	EC136	Emsiahleni	87 990	87 990	93 269
B	EC137	Engcobo	87 990	87 990	93 269
B	EC138	Sakhisiwe	87 990	87 990	93 269
C	DC13	Chris Hani District Municipality	-	471 063	499 326
<b>Total: O R Tambo Municipalities</b>			<b>776 240</b>	<b>792 965</b>	<b>840 543</b>
B	EC151	Mbizana	87 990	87 990	93 269
B	EC152	Ntabankulu	87 990	87 990	93 269
B	EC153	Quakeni	-	-	-
B	EC154	Port St Johns	87 990	87 990	93 269
B	EC155	Nyandeni	-	-	-
B	EC156	Mhlonto	87 990	87 990	93 269
B	EC157	King Sabata Dalindyebo	-	-	-
C	DC15	O R Tambo District Municipality	424 260	441 005	467 465
<b>Total: Ukhahlamba Municipalities</b>			<b>547 225</b>	<b>637 142</b>	<b>675 370</b>
B	EC141	Elundini	-	-	-
B	EC142	Senqu	-	-	-
B	EC143	Maletswai	87 990	87 990	93 269
B	EC144	Gariep	87 990	87 990	93 269
C	DC14	Ukhahlamba District Municipality	371 245	461 162	468 831
<b>Total: Alfred Nzo Municipalities</b>			<b>459 235</b>	<b>421 295</b>	<b>446 572</b>
B	EC05B1	Umzimkhulu	-	-	-
B	EC05B2	Umzimvubu	-	-	-
B	EC05B3	Matatiele	87 990	87 990	93 269
C	DC44	Alfred Nzo District Municipality	371 245	333 305	353 303
<b>Unallocated/unclassified</b>			-	-	-
<b>Total</b>			<b>3 473 795</b>	<b>4 098 487</b>	<b>4 344 396</b>

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