

# FRAMEWORK FOR CONDITIONAL GRANTS 2021/2022

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**Buffalo City Metropolitan Municipality**



# INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT (ISUPG)

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**Buffalo City Metropolitan Municipality**



### HUMAN SETTLEMENTS GRANTS

<b>Informal Settlements Upgrading Partnership Grant: Municipalities</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Human Settlements (Vote 33)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>• Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>• The creation of sustainable and integrated human settlements that enable improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>• To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Promote integrated sustainable urban settlements and improved quality living environment as per the National Housing Code 2009 which includes tenure security, health and security as well as empowerment</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• The following outputs should be funded by the grant to support the improvement of the overall built environment:               <ul style="list-style-type: none"> <li>○ programmatic municipality-wide informal settlements upgrading strategy</li> <li>○ number of approved individual informal settlements upgrading plans utilising the National Upgrading Support Programme</li> <li>○ number of Sustainable Livelihoods Plans developed</li> <li>○ number of social compacts or agreements concluded with communities outlining their role in the upgrading process</li> <li>○ number of informal settlements designated for upgrading in terms of the municipal Spatial Development Framework and Spatial Planning and Land Use Management Act and by-laws enacted in this regard</li> <li>○ number of approved upgrading plans implemented</li> <li>○ number of households provided with secure tenure</li> <li>○ number of households provided with individual municipal engineering services (water services, sanitation solutions and electricity – grid and non-grid)</li> <li>○ number of informal settlements provided with interim and permanent municipal engineering services (public lighting, roads, storm water, refuse removal and bulk connections for water, sanitation and electricity)</li> <li>○ hectares of land acquired for relocation of Category B2 and C settlements (categories in terms of NUSP methodology)</li> <li>○ hectares of land acquired for in situ upgrading for Category B1 settlements</li> <li>○ number of in situ individually serviced sites developed</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>• Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>• This grant requires municipalities to use the human settlements chapter of their IDPs to prioritise informal settlements for upgrading in 2021/22</li> <li>• Municipalities must submit an Informal Settlement Upgrading Plan for each settlement to be upgraded, prepared in terms of National Upgrading Support Programme, which includes:               <ul style="list-style-type: none"> <li>○ project description</li> <li>○ settlement name and GIS coordinates</li> <li>○ project institutional arrangements</li> <li>○ sustainable livelihood implementation plan</li> <li>○ outputs and targets for services to be delivered</li> <li>○ cash flow projections (payment schedule)</li> <li>○ details of support plan</li> <li>○ risk management plan</li> <li>○ prioritisation certificate issued by the MEC in consultation with relevant Mayors</li> </ul> </li> <li>• For those settlements where upgrading plans have not yet been completed, an interim plan with clear deliverables in terms of the UISP phases contained in the Housing Code must be submitted</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>• Funds should be utilised as per the Upgrading of Informal Settlements Programme as defined in the Housing Code</li> <li>• The transfer of the first tranche funds is conditional upon the national Department of Human Settlements (DHS) approving the Informal Settlements Upgrading Plans</li> <li>• The flow of the second instalment will be conditional upon the:               <ul style="list-style-type: none"> <li>○ submission of the first quarter report, in line with the requirements of MFMA circular 88 signed-off by the accounting officer of the municipality</li> <li>○ submission of the report with financial and non-financial information aligned to the approved upgrading plans</li> </ul> </li> <li>• The flow of the third instalment will be conditional upon submission of second quarter (both financial and non-financial) performance information, in line with the requirements of MFMA circular 88</li> <li>• Municipalities should only implement projects in the approved upgrading plans and any deviation from the approved upgrading plans should be sought from the DHS</li> <li>• Where there are no upgrading plans and spending is approved in terms of an interim plan, funding will only be transferred to a metro provided that confirmation is provided to the national department that individual upgrading plans are being developed for these projects and will be completed by the end of 2021/22</li> <li>• Municipalities should ensure alignment between the infrastructure grants (provision of bulk) and the ISUPG</li> </ul>

<b>Informal Settlements Upgrading Partnership Grant: Municipalities</b>	
	<ul style="list-style-type: none"> <li>The payment schedules submitted by municipalities should be derived from the cash flows contained in the approved Upgrading plans</li> <li>A social compact or any other community participation agreement must be concluded as part of each individual informal settlement upgrading plan. A maximum of three per cent of the project cost may be used for community/ social facilitation</li> <li>The transfer of the first tranche of funds is conditional upon approval by the DHS of municipal business plan which is consistent with the provisions of the Housing Act, 2021 Division of Revenue Act and in compliance with the National Housing Code</li> <li>Municipalities must report quarterly on projects funded, in line with the requirements of the Municipal Finance Management Act (MFMA) circular 88. Reporting must include financial and non-financial performance on progress against UISP plans</li> <li>Municipalities are required to submit monthly financial reports within 10 working days after the end of each month indicating reasons for deviations and remedial actions</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>The grant is allocated to all metropolitan municipalities</li> <li>These funds are determined through the USDG allocation formula</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This is a conditional grant with a specific purpose to provide for the upgrading of informal settlements</li> </ul>
<b>Past performance</b>	<p><b>2019/20 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2019/20 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>This grant will continue until 2023/24, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2021/22: R3.9 billion; 2022/23: R4.2 billion and 2023/24: R4.4 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Maintain the policy and programme and assist with interpretation</li> <li>Develop a reporting template for municipalities on UISP outputs and publish it by 28 May 2021</li> <li>Monitor and evaluate municipal financial and non-financial grant performance and control systems including quarterly summary reports on performance related to the UISP</li> <li>Provide implementation assistance support to municipalities as may be required</li> <li>Undertake structured and other visits to municipalities as is necessary</li> <li>Facilitate structured intergovernmental forums for regular interaction with municipalities</li> <li>Submit a report on the status of informal settlements and their categorisation (in terms of the National Upgrading Support Programme's methodology) to National Treasury by 30 July 2021</li> <li>Identify lessons from the preparation and implementation of this window and use these to inform the design of the proposed new grant for informal settlement upgrading</li> <li>The transferring officer should design and distribute a template to be signed by a Municipal Manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Initiate, plan and formulate applications for projects relating to the upgrading of informal settlements, which in the case of municipalities that are not accredited, must be in collaboration with the relevant provincial department</li> <li>Request assistance from the provincial department on any of the matters concerned if the municipality lacks the capacity, resources or expertise</li> <li>Submit informal settlement upgrading plans by 28 May 2021</li> <li>Implement approved projects in accordance with UISP plans approved by the national department</li> <li>Fast-track the planning approval processes for informal settlements upgrading projects</li> <li>Assume ownership of the engineering services installed</li> <li>Manage, operate and maintain settlement areas developed under this programme</li> <li>Coordinate and facilitate the provision of bulk and connector engineering services (including through funding from the main USDG)</li> <li>Submit a report on the status of informal settlements in their municipal area and their categorisation (in terms of the National Upgrading Support Programme's methodology) to DHS by 28 May 2021</li> <li>Identify lessons from the implementation of this window and share these with DHS</li> <li>Municipalities should submit a signed letter by a Municipal Manager or a delegated person, as an attachment to the monthly and quarterly reports</li> </ul>
<b>Process for approval of 2022/23 business plans</b>	<ul style="list-style-type: none"> <li>Municipalities must prepare a municipality-wide Informal Settlement Upgrading Strategy that sets out the city's approach to informal settlement upgrading and how settlements are categorised and will be prioritised for upgrading. A draft of this plan must be submitted to DHS by 29 October 2021. DHS will provide comments by 30 November 2021</li> <li>Draft Informal Settlement Upgrading Plans for each settlement to be upgraded in 2022/23 must be submitted to the National Department by 28 January 2022. The DHS will provide comments by 15 March 2022</li> <li>Final Business plans must be submitted by not later than 15 April 2022</li> </ul>



# FINANCE MANAGEMENT GRANT (FMG)

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**Buffalo City Metropolitan Municipality**



<b>Local Government Financial Management Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To secure sound and sustainable management of the fiscal and financial affairs of municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA)</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Strengthen capacity in the financial management of municipalities</li> <li>Improved and sustained skills development, including the appointment of interns supporting the implementation of financial management reforms focusing on the gaps identified in the Financial Management Grant (FMG) support plans</li> <li>Appropriately skilled financial officers, appointed in municipalities consistent with the minimum competency regulations</li> <li>Improved financial management maturity and capabilities</li> <li>Timely submission of financial statements and improved audit outcomes</li> <li>Improvement in municipal financial governance and oversight</li> <li>Reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred by municipalities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of municipal officials registered for financial management training</li> <li>Number of interns serving on the internship program, and permanently appointed in municipalities</li> <li>Number of municipalities that have reassessed priority modules in the Financial Management Capability Maturity Model (FMCMM)</li> <li>Number of municipalities with established internal audit units and audit committees</li> <li>Number of municipalities that submitted their annual financial statements timeously</li> <li>Number of municipalities with disclaimers and adverse opinions that developed audit action plans</li> <li>Submission of FMG support plans</li> <li>Number of municipalities that are municipal Standard Chart of Accounts (mSCOA) complaint</li> <li>Number of disciplinary boards established</li> </ul>
<b>Priorities of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 1: A capable, ethical and developmental state</li> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses an FMG support plan which identifies weaknesses in financial management, which are planned to be addressed through the grant allocation</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>FMG funds can be used towards the following: <ul style="list-style-type: none"> <li>strengthen capacity and up-skilling officials in the budget and treasury office, internal audit and audit committees</li> <li>a total of five interns in local municipalities and three interns in metropolitan and district municipalities must be appointed over a multi-year period. Municipalities must submit a plan for the retention of skills developed through the internship programme</li> <li>on-going review, revision and submission of FMG support plans to the National Treasury that address weaknesses in financial management</li> <li>acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices including the mSCOA</li> <li>support the training of municipal financial management officials working towards attaining the minimum competencies, as regulated in Government Gazette 29967 of June 2007 amended through Gazette 41996 of October 2018</li> <li>support the preparation and timely submission of annual financial statements for audits. Technical support to municipalities must include the transfer of skills to municipal officials</li> <li>support the implementation of corrective actions to address the root causes of audit findings in municipalities that received adverse and disclaimer opinions</li> <li>support the implementation of the financial misconduct regulations and promote consequence management to reduce unauthorised, irregular, fruitless and wasteful expenditure incurred by municipalities</li> <li>support to strengthen financial governance and oversight, as well as functioning of Municipal Public Accounts Committees</li> <li>implementation of financial management reforms and overall compliance with the MFMA to address shortcomings identified in the Financial Management Capability Maturity Model assessments for that municipality</li> <li>support the training of the municipal officials that are members of the bid committees</li> </ul> </li> <li>Spending on the conditions above exclude any cost relating to travel, accommodation and incidental expenses</li> <li>FMG support plan must be consistent with the conditions of the grant and must be submitted timeously</li> <li>Timely submission of reports with complete information as prescribed in the 2021 Division of Revenue Act</li> <li>Expenditure must be maintained at appropriate levels</li> </ul>

<b>Local Government Financial Management Grant</b>	
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• All municipalities benefit from allocations to augment their own resources in support of implementation of the financial management reforms</li> <li>• Priority is given to municipalities:               <ul style="list-style-type: none"> <li>◦ with challenges/shortcomings in processes, procedures and systems to effectively implement the MFMA, as identified in the Financial Management Capability Maturity Model assessment</li> <li>◦ with adverse and disclaimer audit opinions</li> </ul> </li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• Grant provides direct support to municipalities to develop financial management and technical capacity for the implementation of the MFMA, its regulations and associated financial reforms</li> </ul>
<b>Past performance</b>	<p><b>2019/20 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• R533 million was allocated and R533 million was transferred to 257 municipalities</li> </ul> <p><b>2019/20 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• All 257 municipalities submitted FMG support plans</li> <li>• As at 30 June 2020, 1 065 graduate finance interns were serving on the internship programme in municipalities</li> <li>• Internship workshops to improve the programme and sustain reforms were concluded in four provinces</li> <li>• The grant supported the following outputs:               <ul style="list-style-type: none"> <li>◦ a total of 1 566 officials received a statement of results for attaining minimum competencies</li> <li>◦ 51 municipalities utilised the FMG to develop audit action plans and implement corrective actions to address 2018/19 audit findings</li> <li>◦ 209 municipalities utilised the FMG to acquire/upgrade and maintain their financial management systems</li> <li>◦ 149 municipalities utilised the FMG to strengthen the capacity and up-skill officials in the budget and treasury office, internal audit units and audit committees</li> </ul> </li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• Ongoing with periodic reviews as the financial reforms are still in progress</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2021/22: R552 million, 2022/23: R566 million and 2023/24: R569 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Management, monitoring and reporting of the programme</li> <li>• Transfer funds to municipalities in terms of the 2021 Division of Revenue Act</li> <li>• Undertake on-going monitoring of the municipalities</li> <li>• Participate in the review of the municipal capacity support system during 2021</li> </ul>
	<p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Submit support plans which are consistent with the conditions of the grant</li> <li>• Submit reports consistent with the reporting requirements in the 2021 Division of Revenue Act</li> </ul>
<b>Process for approval of 2022/23 business plans</b>	<ul style="list-style-type: none"> <li>• On-going review, revision and submission of the FMG support plans to address weaknesses in financial management</li> <li>• The programme is based on the FMG support plans which municipalities must submit to the National Treasury before the start of the municipal financial year</li> </ul>

# EXPANDED PUBLIC WORKS PROGRAMME GRANT (EPWP)

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**Buffalo City Metropolitan Municipality**





## PUBLIC WORKS AND INFRASTRUCTURE GRANT

Expanded Public Works Programme Integrated Grant for Municipalities	
Transferring department	<ul style="list-style-type: none"> <li>Public Works and Infrastructure (Vote 13)</li> </ul>
Grant schedule	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
Strategic goal	<ul style="list-style-type: none"> <li>To provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised</li> </ul>
Grant purpose	<ul style="list-style-type: none"> <li>To incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines: <ul style="list-style-type: none"> <li>road maintenance and the maintenance of buildings</li> <li>low traffic volume roads and rural roads</li> <li>basic services infrastructure, including water and sanitation reticulation (excluding bulk infrastructure)</li> <li>other economic and social infrastructure</li> <li>tourism and cultural industries</li> <li>waste management</li> <li>parks and beautification</li> <li>sustainable land-based livelihoods</li> <li>social services programmes</li> <li>community safety programmes</li> </ul> </li> </ul>
Outcome statements	<ul style="list-style-type: none"> <li>Contribute towards increased levels of employment</li> <li>Improved opportunities for sustainable work through experience and learning gained</li> </ul>
Outputs	<ul style="list-style-type: none"> <li>Number of Full-Time Equivalents (FTEs) to be created through the grant</li> <li>Number of people employed and receiving income through the EPWP</li> <li>Increased average duration of the work opportunities created</li> </ul>
Priority of government that this grant primarily contributes to	<ul style="list-style-type: none"> <li>Priority 2: Economic transformation and job creation</li> </ul>
Details contained in the business plan	<ul style="list-style-type: none"> <li>The programme is implemented through municipalities using EPWP integrated agreements and project lists that specify the number of FTEs and work opportunities to be created</li> </ul>
Conditions	<ul style="list-style-type: none"> <li>EPWP projects must comply with the project selection criteria determined in the EPWP grant manual, the EPWP guidelines set by the Department of Public Works and Infrastructure (DPWI), the latest EPWP Ministerial Determination, the EPWP Recruitment Guidelines and the National Minimum Act of 2018 including applicable gazettes</li> <li>Municipalities must report monthly on all EPWP projects via DPWI's EPWP reporting system</li> <li>Reports must be loaded on the EPWP reporting system every month. The system closes 15 days after the end of every quarter in order for progress to be assessed</li> <li>Municipalities must maintain participant and payroll records as specified in the audit requirements in the EPWP grant manual</li> <li>The EPWP grant cannot be used to fund the costs of permanent municipal personnel however, a maximum of 5 per cent of the grant can be used to fund contract based capacity required to manage data capturing and on-site management costs related to the use of labour intensive methods</li> <li>The EPWP grant can only be utilised for EPWP purposes, for the projects approved in each municipality's EPWP project list</li> <li>To respond to the COVID-19 pandemic, municipalities may use up to 10 per cent of their allocations for the provision of personal protective equipment (e.g. temperature scanners, hand washing facilities, hand sanitizers as per the standard determined by the Department of Health), and provisions for physical distancing</li> <li>To receive the first tranche of the allocations, eligible municipalities must submit a signed integrated agreement with a project list by 30 June 2021</li> <li>Subsequent grant disbursements are conditional upon: <ul style="list-style-type: none"> <li>eligible municipalities reporting EPWP performance within the required timeframes</li> <li>compliant reporting on EPWP Integrated Grant funded projects</li> <li>submitting on a quarterly basis non-financial reports including for the last quarter of the previous financial year</li> <li>reporting on EPWP Integrated Grant expenditure monthly within the required time frames</li> </ul> </li> <li>Municipalities must implement their approved EPWP project list and meet agreed job creation targets</li> <li>EPWP branding must be included as part of the project cost in line with the corporate identity manual</li> </ul>
Allocation criteria	<ul style="list-style-type: none"> <li>To be eligible for an EPWP grant allocation in 2021/22, a municipality must have reported at least 13 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2019/20 financial year</li> <li>Newly reporting municipalities must have reported at least 6.5 FTEs in either the infrastructure sector, social sector or environment and culture sector in the 2020/21 financial year by 15 October 2020</li> <li>The EPWP grant allocations are based on: <ul style="list-style-type: none"> <li>past EPWP performance</li> <li>the number of FTE jobs created in the prior 18 months</li> <li>past performance with regard to labour intensity in the creation of EPWP work opportunities</li> <li>service delivery information from 2016 Community Survey used as an adjustment factor</li> </ul> </li> <li>Penalties are applied to municipalities with negative audit findings and non-compliant in terms of submission of the non-financial reports</li> <li>Allocation criteria include a rural bias</li> </ul>

<b>Expanded Public Works Programme Integrated Grant for Municipalities</b>	
	<ul style="list-style-type: none"> <li>Rural municipalities will also be prioritised in terms of technical support for implementation provided by DPWI</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This grant is intended to fund the expansion of labour intensity in specific focus areas as well as to incentivise increased EPWP performance. The grant is based on performance, the potential to expand and the need for EPWP work in key focus areas</li> </ul>
<b>Past performance</b>	<p><b>2019/20 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>The grant had an allocation of R730 million, 252 municipalities were eligible for the grant and 100 per cent of the allocation was transferred to these municipalities</li> </ul> <p><b>2019/20 service delivery performance</b></p> <ul style="list-style-type: none"> <li>208 942 work opportunities were reported by 252 municipalities and validated on the EPWP system</li> <li>66 875 FTE jobs were reported by 252 municipalities and validated on the EPWP system</li> <li>Average duration of the work opportunities created has increased to 73 days</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>Grant continues until 2022/23, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2021/22: R759 million; 2022/23: R778 million and 2023/24: R781 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Three tranches per annum: 25 per cent on 3 August 2021; 45 per cent on 2 November 2021 and 30 per cent on 1 February 2022</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Determine eligibility and set grant allocations and FTE targets for eligible municipalities</li> <li>Publish on the EPWP website all documents relevant for municipalities to understand and implement the grant, including a grant manual, the relevant EPWP guidelines, the EPWP Ministerial Determination and the National Minimum Wage including applicable gazettes</li> <li>Support municipalities in the manner agreed to in the grant agreement, to: <ul style="list-style-type: none"> <li>identify suitable EPWP projects and develop EPWP project lists in accordance with the EPWP project selection criteria</li> <li>apply the EPWP project selection criteria and EPWP guidelines to project design</li> <li>report using the EPWP reporting system</li> </ul> </li> <li>Monitor the performance and spending of municipalities according to the signed incentive agreement</li> <li>Conduct data quality assessments on a continuous basis, to support good governance and identify areas for administrative improvement</li> <li>Manage the EPWP coordinating structures in collaboration with provincial coordinating departments to support implementation, identify blockages and facilitate innovative solutions</li> <li>Conduct site visits to verify existence of the projects and identify where support is needed</li> </ul> <p><b>Responsibilities of the eligible municipalities</b></p> <ul style="list-style-type: none"> <li>Develop and submit an EPWP project list to DPWI by 4 June 2021</li> <li>Sign the standard funding agreement with DPWI agreeing to comply with the conditions of the grant before receiving any grant disbursement</li> <li>Agree on the areas requiring technical support from DPWI upon signing the grant agreement</li> <li>Ensure that reporting is done within the timelines stipulated in the grant agreement and that compliant information is captured in the EPWP reporting system</li> <li>Municipalities must maintain participant payroll records as specified in the audit requirements in the EPWP grant manual, and make these available to DPWI for data quality assessment tests</li> <li>EPWP work opportunity reports must be captured on a monthly basis in order for progress to be assessed</li> <li>Submission of quarterly non-financial reports by the timelines stipulated in the clauses of the Division of Revenue Act</li> </ul>
<b>Process for approval of 2022/23 business plans</b>	<ul style="list-style-type: none"> <li>Municipalities must report performance on EPWP projects for the 2021/22 financial year by 29 October 2021 to be eligible for a grant allocation</li> <li>Municipalities must submit a signed EPWP integrated agreement and project list by 30 June 2022</li> </ul>

# URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)

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**Buffalo City Metropolitan Municipality**



<b>Urban Settlements Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Human Settlements (Vote 33)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 4, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The creation of sustainable and integrated human settlements that enable improved quality of household life</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>The outcomes to be realised in order to promote integrated sustainable urban settlements and improved quality of living environments are as follows:               <ul style="list-style-type: none"> <li>supporting inclusive densification and transit-oriented urban development, integrating existing and new urban developments</li> <li>provision of adequate bulk and link infrastructure for mixed-income and mixed-use urban developments</li> <li>provide opportunities for leveraging of public funding within partnerships that promote integrated mixed-income and mixed-use urban development projects and funding for broader urban development</li> </ul> </li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>The following outputs should be funded by the grant to support the improvement of the overall built environment:               <ul style="list-style-type: none"> <li>increase in bulk and link infrastructure</li> <li>construction/provision of internal engineering services</li> <li>increase in the number of serviced sites</li> <li>increase in the provision of individual connections</li> <li>increase in land provision for informal settlement upgrading, subsidised housing, or mixed-use developments in support of approved human settlements and other urban developments</li> <li>increase in access to public and socio-economic amenities</li> <li>increase in the number of interim basic services</li> </ul> </li> <li><b>Response to the COVID-19 pandemic</b> <ul style="list-style-type: none"> <li>Number of municipal-owned facilities identified for quarantine sites that are repaired (limited to repairs to existing facilities, not modifications and operational costs)</li> <li>Number of public facilities (by category) sanitised</li> <li>Number of hand-washing dispensers installed</li> <li>Litres of sanitiser procured</li> <li>Number of temperature scanners procured</li> <li>Number of municipal workers provided with personal protective equipment</li> </ul> </li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business plan</b>	<ul style="list-style-type: none"> <li>This grant uses the USDG plan (containing a project list with project names, project descriptions, infrastructure classification, Geographic Information System (GIS) coordinates and wards in which projects are being developed. The USDG plan is consistent with the Integrated Development Plan (IDP), including the human settlements chapter of the IDP, and the Service Delivery and Budget Implementation Plan (SDBIP) of the receiving municipality</li> </ul>
<b>Conditions</b>	<ul style="list-style-type: none"> <li>Municipalities must submit a USDG plan that is aligned to the SDBIP, IDP and the One Plan in pilot areas for the District Development Model to the national Department of Human Settlements (DHS) and National Treasury</li> <li>The annual USDG plan must contain a project list with project names, project descriptions, classification of infrastructure, GIS coordinates and wards in which projects are being developed. The submission should include motivations of how the projects will benefit poor households and information on spatial targeting, co-funding and other associated investments</li> <li>The flow of the first instalment is subject to:               <ul style="list-style-type: none"> <li>submission of the 2020/21 third quarter report, in line with the requirements set out in the Municipal Finance Management Act (MFMA) circular 88, signed-off by the municipal Accounting Officer</li> <li>submission of a USDG plan that is aligned to the municipal IDP, SDBIP and national priorities by 28 May 2021</li> </ul> </li> <li>The flow of the second instalment will be conditional upon the:               <ul style="list-style-type: none"> <li>submission of the 2020/21 fourth quarter report in line with the requirements set out in the MFMA circular 88, signed-off by the accounting officer of the municipality</li> <li>submission of 2021/22 first quarter performance information, in line with the requirements of the MFMA circular 88</li> </ul> </li> <li>The flow of the third instalment will be conditional upon submission of second quarter performance information, in line with the requirements of the MFMA circular 88</li> <li>A maximum of 3 per cent of the USDG may be used to procure capacity to support the implementation of USDG human settlements programme outputs as contained in the Medium-Term Strategic Framework (MTSF) and in line with the capacity building guideline published by DHS</li> <li>Municipalities must indicate the amounts of their annual allocations for spending on the identified catalytic projects as approved by the municipal council</li> <li>Municipalities must ensure that a minimum prescribed threshold of their allocations is spent on services provided by companies that are owned by vulnerable groups</li> <li><b>Response to COVID-19 pandemic</b> <ul style="list-style-type: none"> <li>Municipalities must submit a USDG plan for approval by DHS, outlining the planned use of USDG funds for the following activities as part of the response to the COVID-19 pandemic:                   <ul style="list-style-type: none"> <li>municipalities must prioritise the provision of water and sanitation to communities that do not currently have access to water services or require additional water services</li> </ul> </li> </ul> </li> </ul>



<b>Urban Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>o funds may be used for the costs of providing services at higher frequency and/or standards for informal settlements and vulnerable communities</li> <li>o grant funds may be used for the repair of municipal-owned infrastructure identified for quarantine sites (limited to repairs to existing facilities, not modifications and operational costs)</li> <li>o funds may be used for the sanitisation of public facilities (except public transport facilities)</li> <li>o Buffalo City may use up to 15 per cent of its allocation for the sanitisation of public transport facilities, including providing for hand washing facilities, hand sanitiser, provisions for physical distancing and provision of personal protective equipment for public transport workers</li> <li>• Monthly reports on COVID-19 expenditure must include information on actual spending and services delivered</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>• The grant is allocated to all metropolitan municipalities</li> <li>• The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2021 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>• This is a supplementary capital infrastructure grant with conditions, objectives and distribution criteria (including infrastructure backlogs) different to those of the equitable share</li> </ul>
<b>Past performance</b>	<p><b>2019/20 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>• The grant was allocated R12 billion and R11.7 billion (97 per cent) was transferred to municipalities</li> </ul> <p><b>2019/20 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• Delivery performance is indicated in the performance evaluation reports for 2019/20</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The USDG will continue until 2023/24, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2021/22: R7.4 billion; 2022/23: R7.4 billion and 2023/24: R7.7 billion</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers will be made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Develop indicators for the outcomes and outputs</li> <li>• Convene a structured forum to meet with municipalities on a quarterly basis</li> <li>• Monitor and evaluate the municipal financial and non-financial performance of the grant, including quarterly summary reports on performance across municipalities</li> <li>• Provide support to municipalities with regard to human settlement programmes</li> <li>• Publish a guideline by 28 May 2021 on how municipalities should use capacity funds from this grant</li> <li>• Ensure collaboration between provinces and municipalities to promote area-based planning, budgeting and funding alignment as well as implementation support, where applicable</li> <li>• Undertake oversight visits to municipalities as may be necessary</li> <li>• Facilitate strategic and spatial planning support related to human settlements development</li> <li>• Provide systems, including the Housing Subsidy System that support the administration of the human settlements delivery process</li> <li>• Coordinate and facilitate interaction between national departments, state-owned enterprises, other relevant entities of the state, provincial departments of human settlements and participating municipalities, on a quarterly basis</li> <li>• When under expenditure and under performance is identified, the department may recommend the stopping and reallocation (in terms of sections 18 and 19 of the 2021 Division of Revenue Act) of funds that are anticipated to be unspent</li> <li>• Participate in the municipal budget benchmarking process as and when indicated by the National Treasury</li> <li>• Review BEPP guidelines</li> <li>• Share COVID-19 response plans from municipalities with National Treasury for comments before approving them</li> <li>• DHS must report separately on COVID-19 expenditure, in its reports submitted in terms of the requirements of section 9 of the Division of Revenue Act and must share these reports with the National Disaster Management Centre</li> <li>• The transferring officer should design and distribute a template to be signed by a municipal manager or a delegated officer to be submitted with monthly and quarterly reports by metropolitan municipalities</li> </ul> <p><b>Responsibilities of other national sector departments</b></p> <ul style="list-style-type: none"> <li>• The Department of Mineral Resources and Energy, Department of Water and Sanitation, Department of Environment, Forestry and Fisheries and the Department of Transport must all provide technical advice and support relevant to their sectors and monitor the performance of municipalities as reported in terms of the MFMA circular 88</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Metropolitan municipalities may replace non-performing projects with performing projects providing a similar infrastructure that fulfils the same policy objectives. This replacement should not jeopardise the achievement of the overall MTSF targets committed to by the municipality</li> <li>• Changes to the approved project list may only be made once a quarter and the metro must notify the DHS in writing and provide all the relevant details of the new project within 30 days after the end of the quarter</li> <li>• Comply with the terms and conditions of the receiving officer outlined in the Division of Revenue Act</li> <li>• Ensure effective and efficient utilisation of the grant and alignment to the purpose and outputs of the grant</li> <li>• Ensure compliance with required intergovernmental forums, reporting, and accountability frameworks for human settlements</li> <li>• Ensure that the USDG is used to meet municipality MTSF targets</li> </ul>

<b>Urban Settlements Development Grant</b>	
	<ul style="list-style-type: none"> <li>• Municipalities should submit a signed letter by a municipal manager or a delegated authorised person as an attachment to the monthly and quarterly reports</li> <li>• Municipalities must report on the percentage of their allocations spent on service provided by companies owned by vulnerable groups on a quarterly basis</li> </ul>
<b>Process for approval of 2022/23 business plans</b>	<ul style="list-style-type: none"> <li>• Municipalities must submit a comprehensive USDG plan (based on circular 88 indicators) with targets aligned to the MTSF, IDP and SDBIP and a draft and/or approved municipal budget</li> <li>• Municipalities must submit their first draft of the USDG plan to the transferring officer by 25 March 2022 and the final USDG plan should be submitted by 30 May 2022</li> </ul>

# PROGRAMME AND PROJECT PREPARATION SUPPORT GRANT (PPPSG)

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**Buffalo City Metropolitan Municipality**



<b>Programme and Project Preparation Support Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>The development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To support metropolitan municipalities to develop a pipeline of investment ready capital programmes and projects through establishing and institutionalising an effective and efficient system of programme and project preparation and the allocation of a growing level of municipal resources to preparation activities</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Strengthened and effective system of programme and project preparation in the metropolitan cities</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Effective and transparent system for project approvals (clearly defined authorising environment) in the metropolitan municipalities</li> <li>Increased investment in programme and project preparation by the metropolitan municipalities</li> <li>Credible pipeline of projects developed by metropolitan municipalities</li> <li>Number of studies/strategies completed</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business 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>Conditions</b>	<ul style="list-style-type: none"> <li>Eligibility is restricted to metropolitan municipalities which have: <ul style="list-style-type: none"> <li>formally adopted the Cities' Infrastructure Delivery and Management System (CIDMS) guidelines</li> <li>committed to co-financing contributions</li> </ul> </li> <li>The first transfer of the grant will only be released to a municipality that has, by 31 May 2021, submitted a work plan to National Treasury with programme and project preparation activities</li> <li>Further transfers will be based on performance in line with the work plan submitted to National Treasury</li> <li>Funds can only be spent on direct operating costs for programme and project preparation activities</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations will be made to eligible metropolitan municipalities on a population-weighted basis in order to account for the relatively greater planning complexity and investment needs in larger metropolitan municipalities</li> <li>Final allocations will be made based on municipal submissions (work plan) and performance, and subject to co-financing requirements</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>The grant provides funding to the metropolitan municipalities to enhance the performance of their urban built environment programmes by supporting programme and project preparation. It reflects commitments contained in the National Development Plan to streamline funding for urban public investments to support the restructuring of the urban built environment</li> </ul>
<b>Past performance</b>	<p><b>2019/20 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul> <p><b>2019/20 service delivery performance</b></p> <ul style="list-style-type: none"> <li>New grant</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>The grant will continue up to 2023/24, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>2021/22: R341 million; 2022/23: R361 million and 2023/24: R377 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>Transfers are made in accordance with a payment schedule approved by National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>Review eligibility criteria and assess compliance with grant conditions prior to the transfer of each tranche of the allocations</li> <li>Provide operational guidelines, facilitate peer learning and provide capacity support through the Cities Support Programme and the Neighbourhood Development Programme</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>Submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation</li> <li>Implement the work plan</li> </ul>
<b>Process for approval of 2022/23 business plans</b>	<ul style="list-style-type: none"> <li>National Treasury will communicate further details of the requirements for project and programme preparation funding over the 2022 MTEF period by September 2021</li> <li>Municipalities must submit a work plan of activities relating to the establishment and institutionalisation of programme and project preparation by November 2021</li> </ul>



# INFRASTRUCTURE SKILLS DEVELOPMENT GRANT (ISDG)

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**Buffalo City Metropolitan Municipality**



## NATIONAL TREASURY GRANTS

<b>Infrastructure Skills Development Grant</b>	
<b>Transferring department</b>	<ul style="list-style-type: none"> <li>National Treasury (Vote 8)</li> </ul>
<b>Grant schedule</b>	<ul style="list-style-type: none"> <li>Schedule 5, Part B</li> </ul>
<b>Strategic goal</b>	<ul style="list-style-type: none"> <li>To improve infrastructure delivery management capacity within municipalities by developing a long-term and sustainable pool of registered professionals with built environment and related technical skills in engineering, town planning, quantity surveying, geographic information systems and project management</li> </ul>
<b>Grant purpose</b>	<ul style="list-style-type: none"> <li>To recruit unemployed graduates into municipalities to be trained and professionally registered, as per the requirements of the relevant statutory councils within the built environment</li> </ul>
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>Developed technical capacity within local government to enhance infrastructure provision, and service delivery, through improved infrastructure planning, implementation, operations and maintenance</li> <li>Registered professionals with built environment qualifications (national diplomas and degrees) as per the statutory councils' requirements</li> <li>Increased number of qualified and registered professionals employed within local government</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Number of built environment graduates registered as candidates for training and professional development as per requirements of the relevant statutory councils</li> <li>Number of graduates recognised as registered professionals by the relevant statutory councils</li> <li>Number of graduates employed as registered professionals within the built environment in local government</li> </ul>
<b>Priority of government that this grant primarily contributes to</b>	<ul style="list-style-type: none"> <li>Priority 5: Spatial integration, human settlements and local government</li> </ul>
<b>Details contained in the business 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>Conditions</b>	<ul style="list-style-type: none"> <li>The business plan must demonstrate that the municipality has projects in which the graduates can be trained, and provide the relevant complexity of work and responsibility that can support graduates to meet the registration requirements of the relevant statutory councils</li> <li>The business plan must be signed by the Municipal Manager</li> <li>Graduates must be seconded to an entity (public or private) if no relevant training is available to develop the necessary competence of the graduates</li> <li>Where graduates are placed in another entity (public or private) a memorandum of agreement must be developed and signed between the municipality and the entity; according to Infrastructure Skills Development Grant (ISDG) guidelines. The memorandum of agreement must clearly demonstrate the supervision requirements and the roles and responsibilities of all parties associated with the training of graduates</li> <li>Graduates must have a national diploma or degree in the built environment from higher education institutions i.e. universities or universities of technology recognised by the statutory council</li> <li>Municipalities must provide training as per the road-to-registration requirements of the relevant statutory council</li> <li>Mentoring must be provided by registered professionals in the same field as the graduates in training. The full names and proof of registration of the mentor must be submitted to the National Treasury, and a contract must be entered into with each mentor, in accordance with the ISDG guidelines</li> <li>The ISDG funding is to be utilised exclusively for costs associated with the training and professional development process of graduates (refer to ISDG guidelines)</li> <li>The business plan of a municipality must include an absorption strategy for the graduates within the municipality or any other municipality</li> <li>A project administrator may be appointed per municipality for the purpose of the ISDG administration if approved by National Treasury (refer to ISDG guidelines)</li> <li>Graduates are to be placed in units to support the management, maintenance and/or implementation of infrastructure, infrastructure related projects and accelerated service/infrastructure delivery</li> <li>Graduates must be assigned to a supervisor with experience in the same field as the graduates-in-training</li> <li>Graduates' training progress is to be evaluated by professionally registered mentors on a quarterly basis and development of the required competencies of graduates is to be evaluated bi-annually</li> <li>Municipalities must submit monthly and quarterly reports timeously</li> <li>Graduate reports and/or log books must be completed in the format of the statutory council and must be signed by the registered mentor/supervisor as required by statutory councils</li> <li>Municipal Managers must sign a service level agreement (SLA) with the National Treasury and such an agreement must be adhered to</li> <li>Non-compliance with the above conditions can result in the funds being withheld, stopped or re-allocated</li> </ul>
<b>Allocation criteria</b>	<ul style="list-style-type: none"> <li>Allocations are based on business plans submitted and ability of municipalities to provide training and professional development of graduates for the duration of the candidate phase as stipulated by statutory councils</li> </ul>
<b>Reasons not incorporated in equitable share</b>	<ul style="list-style-type: none"> <li>This conditional grant is meant to develop technical skills within municipalities</li> </ul>
<b>Past performance</b>	<p><b>2019/20 audited financial outcomes</b></p> <ul style="list-style-type: none"> <li>R141 million was allocated and transferred to 15 municipalities</li> </ul>

<b>Infrastructure Skills Development Grant</b>	
	<p><b>2019/20 service delivery performance</b></p> <ul style="list-style-type: none"> <li>• The grant has created employment and training opportunities</li> <li>• Currently 343 graduates are in training</li> <li>• Since inception of the grant, 263 graduates have been professionally registered with the relevant statutory councils</li> <li>• In 2019/20 the following municipalities hosted graduates through the grant: Buffalo City (27 graduates); Nelson Mandela Bay (30 graduates); eThekweni (48 graduates); City of Johannesburg (18 graduates); Polokwane (18 graduates); Govan Mbeki (56 graduates); Gert Sibande (31 graduates); Alfred Nzo (19 graduates); Sol Plaatje (13 graduates); John Taolo Gaetsewe (9 graduates); King Sabata Dalindyebo (10 graduates); City of Cape Town (28 graduates); George (15 graduates); Alfred Duma (11 graduates); Thulamela (10 graduates)</li> </ul>
<b>Projected life</b>	<ul style="list-style-type: none"> <li>• The grant is expected to continue up to 2023/24, subject to review</li> </ul>
<b>MTEF allocations</b>	<ul style="list-style-type: none"> <li>• 2021/22: R155 million; 2022/23: R159 million and 2023/24: R160 million</li> </ul>
<b>Payment schedule</b>	<ul style="list-style-type: none"> <li>• Transfers are made in accordance with a payment schedule approved by the National Treasury</li> </ul>
<b>Responsibilities of the transferring officer and receiving officer</b>	<p><b>Responsibilities of the national department</b></p> <ul style="list-style-type: none"> <li>• Issue guidelines and supporting documentation for the implementation of the ISDG</li> <li>• Rollout the ISDG in municipalities in compliance with the ISDG framework, guidelines and relevant precripts</li> <li>• Manage, monitor and report on the programme</li> <li>• Ensure professional development is aligned to statutory council requirements</li> <li>• Monitor the registration progress of graduates with the relevant statutory councils by municipalities</li> <li>• Monitor financial and non-financial performance of the ISDG</li> <li>• Maintain graduates' database for the ISDG</li> <li>• Work with relevant stakeholders on policies, strategies and guidelines to recruit graduates into permanent positions in local government after they have registered as professionals</li> <li>• Participate in the review of the municipal capacity support system during 2021</li> </ul> <p><b>Responsibilities of municipalities</b></p> <ul style="list-style-type: none"> <li>• Comply with the requirements of the Division of Revenue Act, ISDG guidelines, service level agreement and the requirements of the relevant statutory councils</li> <li>• Municipalities must prepare a structured training plan, indicating how graduates will be exposed to suitable projects, to ensure that graduates achieve competencies in relevant activities and are developed professionally to meet the outcome(s) requirements for professional registration</li> <li>• Seek and provide secondment opportunities/agreements with professional service providers, appointed by the municipality, when there is no more relevant work with adequate responsibility for the candidate to progress</li> <li>• Provide the candidate with the requisite workspace, supervisor, tools of profession/trade and logistics to perform the recommended activities within their training plans</li> <li>• Continuously review and assess the candidates' work and progress on the road-to-registration and make recommendations for corrective action</li> <li>• Ensure that candidates attend professional development activities in accordance with their training plans, progress and the requirements of their respective statutory councils</li> <li>• Attend all meetings and workshops convened by the National Treasury relating to this grant</li> <li>• Support and supervise graduates on the road-to-registration training</li> <li>• Recruit professionally registered mentors who are able to provide the skills training required and ensure that they are adequately orientated on the registration process and its requirements</li> <li>• Manage the programme and provide progress reports on a monthly and quarterly basis in the standard reporting templates provided by the National Treasury</li> <li>• Manage the utilisation of ISDG funds and report to the National Treasury</li> <li>• The municipality must provide, and update, the list of business tools procured with ISDG funds. The business tools must be procured in accordance with ISDG guidelines</li> <li>• Municipalities must submit applications for graduates to register as candidates with the relevant statutory councils within six months, and where not initially eligible, must complete the additional requirements for acceptance as a candidate within 12 months of intake</li> <li>• Municipalities must submit evidence of the graduates' registration to National Treasury when graduates have registered as professionals</li> </ul>
<b>Process for approval of 2022/23 business plans</b>	<ul style="list-style-type: none"> <li>• Interested municipalities must submit a three-year business plan by 31 August 2021 for assessment by the National Treasury</li> <li>• Participating municipalities must submit revised business plans to the National Treasury by 31 August 2021</li> </ul>