

Dear Municipal Managers

## **WRITTEN NOTIFICATION OF PROPOSED ALLOCATIONS FROM THE PROVINCIAL BUDGET FOR THE 2025 MEDIUM TERM EXPENDITURE FRAMEWORK**

The delayed tabling of the 2025 National Budget has had knock-on implications for the provincial budget, which will now be tabled on 27 March 2025. In terms of Section 16 of the Municipal Finance Management Act (No 56 of 2003) Municipalities are required to table their annual budgets by 31 March. Provincial Treasury has already provided guidance in Municipal Circular 2 of 2025 (13 March 2025) on the use of indicative allocations to prepare budgets. In addition to this, the Western Cape Provincial Treasury is taking the unusual step of sharing information on planned provincial transfers to municipalities so that municipalities can incorporate these into their tabled budgets.

This letter provides information that can be used in the preparation of municipal budgets in line with the provisions of regulation 10(2)(a)(iii) of the Municipal Budget and Reporting Regulations (2008), which provides that acceptable documentation for the inclusion in municipal budgets of realistically anticipated revenue from provincial government includes, "written notifications from the relevant treasury of the proposed allocations or transfers subsequent to the previous year's national or provincial approved annual budgets and latest adjustment budgets, but prior to the current year's budgets being tabled."

The annexure to this letter provides a full summary of planned conditional grant allocations from the provincial budget to municipalities. These allocations have been drawn from the budgets of provincial departments that have been signed-off by their respective accounting officers. As such, every effort has been made to ensure the accuracy of the information. However, Municipalities must note that these are proposed allocations and must be checked against the final allocations in the provincial budget documents that will be tabled on 27 March 2025. All provincial budget information is also embargoed until this date.

Kind regards

**Steven Kenyon** Digitally signed by Steven Kenyon  
Date: 2025.03.18 07:54:36 +02'00'

**MR S KENYON**  
**ACTING DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES**

CC: Municipal Chief Financial Officers  
Provincial Heads of Departments  
Provincial Chief Financial Officers

<b>2025/26 MTEF MUNICIPAL CONDITIONAL GRANT ALLOCATIONS:</b>			
<b>Cederberg Municipality</b>	<b>2025/26 Allocation (R'000)</b>	<b>2026/27 Allocation (R'000)</b>	<b>2027/28 Allocation (R'000)</b>
<b>Vote 3 - Provincial Treasury</b>	<b>2,500</b>	-	-
Western Cape Financial Management Capability Grant	2,500	-	-
<b>Vote 8 - Western Cape Mobility</b>	<b>1,265</b>	-	-
Non Motorised Transport Infrastructure	1,265	-	-
<b>Vote 10 - Infrastructure</b>	<b>9,160</b>	<b>27,995</b>	<b>93,559</b>
Human Settlements Development Grant (Beneficiaries)	2,800	21,745	74,028
Informal Settlements Upgrading Partnership Grant	4,517	6,000	9,250
Title Deeds Restoration Grant	583	-	-
Financial Assistance to Municipalities for Maintenance and Construction of Transport Infrastructure	1,260	250	10,281
<b>Vote 13 - Cultural Affairs and Sport</b>	<b>6,477</b>	-	-
Library Service: Replacement Funding for Most Vulnerable B3 Municipalities	6,477	-	-
<b>Vote 14 - Local Government</b>	<b>6,351</b>	<b>297</b>	<b>151</b>
Municipal Water Resilience Grant	5,000	-	-
Municipal Fire Service Capacity Building Grant	1,000	-	-
Thusong Service Centres Grant (Sustainability: Operational Support Grant)	200	146	-
Community Development Workers (CDW) Operational Support Grant	151	151	151
<b>Total Transfers from Provincial Departments</b>	<b>25,753</b>	<b>28,292</b>	<b>93,710</b>