

BUDGET AT A GLANCE

Operating budget: **R41,78 billion**

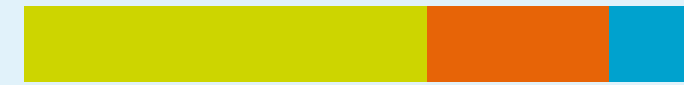
The operating budget is dedicated to day-to-day operations, which include the provision of services such as health, transport and roads, libraries, parks, early childhood development, policing, traffic management, water, electricity and refuse removal.



- Service charges: **48,1%**
- Property rates: **24,2%**
- Government grants: **18%**
- Other own revenue: **7,5%**
- Investment revenue: **2,2%**

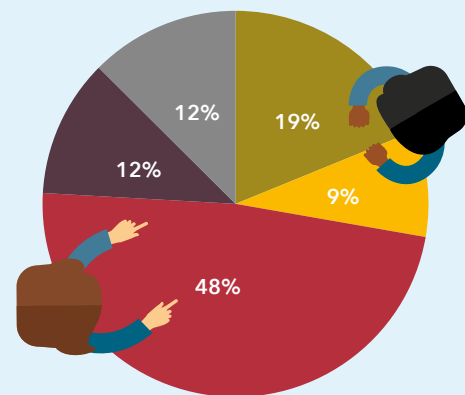
Capital budget: **R8,39 billion**

The capital budget is dedicated to the provision of new infrastructure projects and the renewal or capital maintenance of existing assets.



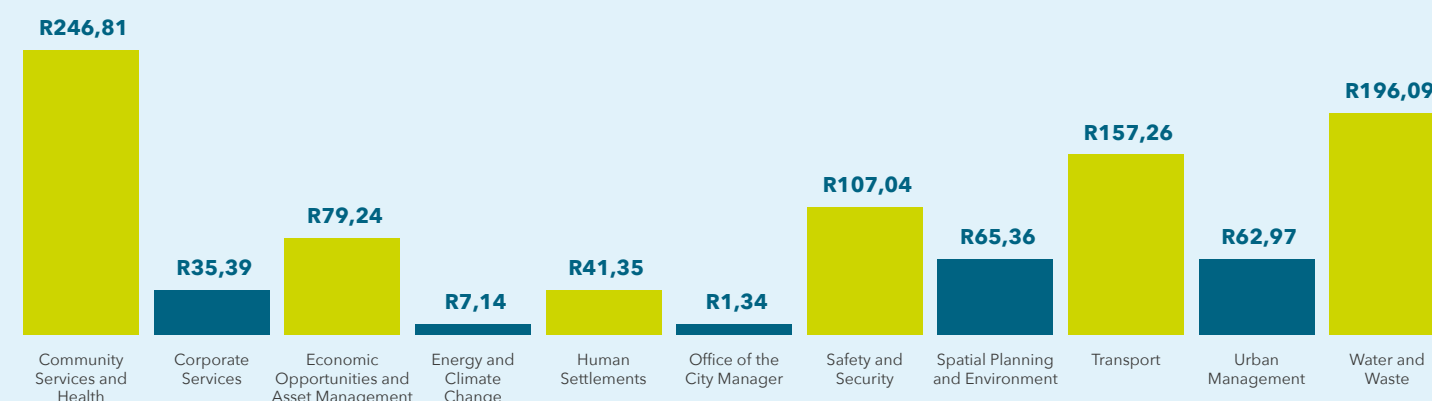
- Internally generated funds: **60%**
- Transfers recognised - capital: **27%**
- Borrowing: **13%**

TOTAL BUDGET



- Caring city: **R24 153 373**
- Inclusive city: **R5 804 905**
- Safe city: **R4 472 601**
- Opportunity city: **R9 449 238**
- Well-run city: **R6 287 935**

MUNICIPAL SERVICES PER EVERY R1 000 IN RATES



SOCIAL PACKAGE



Water: 10,5 kℓ of water per month per indigent household, free of charge.



Sanitation: 7,35 kℓ of sanitation per month per indigent household, free of charge.



Electricity: Each household with a municipal property value of less than and equal to R400 000 and a prepaid meter receives a monthly 60 kWh free electricity if they normally buy less than 250 kWh per month on average over a 12-month period; or 25 kWh free electricity if they normally buy between 250 and 450 kWh per month on average over a 12-month period.



Waste removal: Consumers whose properties are valued below R500 000 receive rebates between 0% and 100% on the first 240 ℓ container. Consumers who earn below R6 000 and who are registered on the indigent register will qualify for a rebate between 0% and 100% on the first 240 ℓ container. Customers living in Council-owned housing rental and selling schemes earning R4 500 and below will receive 100% rebate.



The total cost of the social package amounts to approximately R2,97 billion for the 2019/20 financial year:

- Indigent relief: **R1,691 billion**
- Rates rebates: **R1,278 billion**



APPLY FOR INDIGENT RATES RELIEF

Applying for indigent support could result in you receiving rebates (discounts) on certain City services. Whether you apply for indigent support or indigent rates relief depends on your monthly household income. If you earn R4 500 or less a month, you qualify for 100% rates relief. If you earn between R4 500 and R6 000, you may qualify for between 25% and 75% indigent rates relief.

You may qualify as indigent if:

- you own just one property;
- you are the full time occupant of the home;
- you use your home mainly for residential purposes (60% of the time or more);
- you struggle to pay your municipal account;
- you are a child who lives in the home of a parent who has passed away; or
- you received the house in a divorce settlement.

STEP 1: Collect the form from your nearest municipal office, or download it from: www.capetown.gov.za/indigentbenefits

You will need to include the following with your application:

- proof of identification (such as your ID book)
- a bank statement for the last three months or a sworn affidavit stating that you do not have a bank account
- a bond statement for the last three months or a sworn affidavit stating that you do not have a bond account
- if you have inherited the house, a copy of the estate documents

If you are employed, also include the following in your application:

- latest salary/wage payslip or a letter from an employer stating your income;
- if you are self-employed, a sworn affidavit stating how much you earn per month; and
- proof if you receive a disability grant, maintenance grant or pension.

If you are unemployed, also include the following in your application:

- a sworn affidavit stating that you are unemployed; and
- a sworn affidavit stating that you have no other source of income.

STEP 2: Once you have completed the form, you can hand it in at any of the City's walk-in centres, or post the documents to:

Director: Revenue
City of Cape Town
PO BOX 655
Cape Town
8000

If you are posting your form, remember to send in a certified copy of your ID book or other proof of identification and not the original. We do not accept emailed application forms and documents.

Once you have registered as an indigent you will need to re-apply every year in July. Before you re-apply, you must pay off any money that you owe the municipality.



BUDGET 2019/20



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Making progress possible. Together.

MESSAGE FROM THE EXECUTIVE MAYOR

The City's annual budget is a dynamic one, having taken into account the needs of our residents and considered more than 4000 comments. The budget was presented and discussed at 27 public meetings across the City, and I am confident that this budget will set the City back on track following the drought of the last two years.

One of the deliverables in the budget I am most pleased about is the commitment to deploy one dedicated law enforcement officer in every ward across this city!

Our councillors will work closely with those law enforcement officers in our fight against crime and grime. I am not done with the "Keep Cape Town Clean" campaign, and I will continue to get my hands dirty removing litter from our areas.

Our officials do this daily, but I want to draw residents' attention to their role too, because we cannot do it alone. That is why our motto is "Making progress possible. Together." We need you to work with us.

I have taken note of the public's concerns about the state of our parks. These complaints have not fallen on deaf ears.

We are an accountable administration and a government of action, which is why I am excited about the plan that the Mayoral Committee member for Community Services and Health, Dr Zahid Badroodien, has to get our parks back on track. New trees and greenery will be planted. Fences and lights will be repaired and installed where there aren't any.

Our social package of nearly R3 billion will assist the poorest and most vulnerable residents across the City. This includes the budget allocation for free services, rates rebates and indigent relief. We are widening the scope so that more of our residents can benefit from rates rebates and indigent relief, because we want to make sure that we provide assistance to those residents in need.

My door stands open to any resident. So, if you don't see me at a community meeting soon and there is something you want to raise, please get in touch!

Dan Plato,
Executive Mayor of the City of Cape Town

MESSAGE FROM THE EXECUTIVE DEPUTY MAYOR

As always, the City's budget process is an intricate one of balancing different needs and considerations. The 2019/20 budget is designed to address a range of challenges while also focusing strongly on achieving affordability for our residents, and ensuring that the City is well positioned to deliver services sustainably over the next decade.

The operating budget is set at R41.8 billion, and the capital budget at R8,3 billion, giving an overall expenditure of R50,17 billion.

The budget took into account the comments received after an extensive public participation process, which included 27 public engagements across the metro. Communities had the opportunity to give input on area-specific matters and to engage the City about the planned budget expenditure in their specific areas. All in all, we received over 4 000 comments from members of the public.

The issue of tariff increases featured prominently. As a responsive and caring City, we have taken heed of these concerns. The revenue budget increase from the previous year has been contained to 4% and is below the consumer price index, despite considerable cost pressures on the City.

The increase in electricity tariffs has been limited to 8,88%, which is 6,75% lower than the Eskom increase, due to the City's effective management of its electricity distribution system.

There has been no increase in the fixed charge for water, and the increase in water and sanitation tariffs has been lowered by subsidising costs to the tune of R200 million from the equitable share allocation. This has allowed the tariff increase to remain at 9%, which amounts to an average increase of R1,23 per 1 000 litres of water.

To take account of the overall increase in property valuations due to the General Valuation, the value deduction for residential properties has been increased from R200 000 to R300 000.

Rates rebates have been adjusted for property owners dependent on pensions or social grants. The upper limit on this rebate has been lifted from R15 000 to R17 500 per month of household income. The rebates for all income bands between R4 500 and R17 500 per month have also been adjusted upwards.

The City's overall social safety net remains in place for indigent households who will continue to receive a basic level of services free of charge. Almost R3 billion has been set aside to provide assistance to the most vulnerable of our communities.

We will continue to be inclusive in our approach to governance, ensure that our budget is spent in a responsible manner, and that we are fully accountable to our residents.

Alderman Ian Neilson
Executive Deputy Mayor

MAJOR CAPITAL EXPENDITURE BUDGET PER AREA

NORTH	
Atlantis aquifer	160 000 000
Wesfleur: Wastewater treatment works capacity extension	90 000 000
Suites at Cape Town Stadium	74 743 068
Contermanskloof reservoir	64 500 000
Vissershok: Landfill gas infrastructure to flaring	54 000 000
Road upgrade: N7/M12/Sandown Road	46 000 000
Potsdam: Wastewater treatment works extension	36 000 000
Imizamo Yethu informal settlements emergency project	30 000 000
Woodstock: Upgrade of waste minimisation drop-off	28 300 000
Medium voltage infrastructure refurbishment	25 000 000
Edgemean/Bothasig: Non-motorised transport	24 700 000
Durbanville: Non-motorised transport	24 100 000
Dunoon: Taxi terminus	24 000 000
Medium voltage system infrastructure	24 000 000
Conradie housing development	23 971 733
Imizamo Yethu phase 3, site 2: Bulk earthworks	21 021 884

North: Camps Bay, Sea Point, Cape Town, Maitland, Langa, Paarden Eiland, Milnerton, Blouberg, Atlantis, Durbanville, Vredelokloof, Brackenfell and Kraaifontein.

CENTRAL	
Jan Smuts Drive: Integrated Rapid Transit	101 159 870
Bellville: Wastewater treatment works extension	98 450 000
Athlone: Wastewater treatment works extension (phase 1)	69 000 000
Belhar: Housing development (Province)	57 840 989
Major upgrade (internal) of public housing	55 124 881
Borcherds Quarry wastewater treatment works	43 000 000
Heideveld area 5: Road rehabilitation	23 000 000
Gugulethu: Rehabilitation of concrete roads (phase 5B)	18 000 000
Bonteheuwel/Uitsig: Road rehabilitation	17 000 000
Electrification: backyards	15 000 000
Electricity system equipment replacement (south area)	15 000 000
Bishop Lavis: Road rehabilitation	15 000 000
Gugulethu: Rehabilitation of concrete roads phase 5A	15 000 000
Hanover Park: Depot upgrade	14 430 000
City-wide street lighting upgrade	14 405 000
Athlone Stadium upgrade	12 400 000
Medium voltage system infrastructure	11 000 000
Electricity system equipment replacement (east area)	10 500 000

Central: Parow, Goodwood, Bellville, Elsies River, Athlone, Delft, Guguluethu and Manenberg.

EAST	
Zandvliet: Wastewater treatment works - treatment and sludge	425 500 000
Table Mountain Group Aquifer	250 000 000
Forest Village housing project	60 500 000
Baden Powell Drive to Khayelitsha: Water supply	56 000 000
Sir Lowry's Pass: River upgrade	41 000 000
Belhar Main Road - Stellendale to Highbury Road: Road upgrade	35 551 100
Dualling of Main Road route 27 to Altena Road	30 000 000
R44 Road Upgrade: north and south bound	28 375 000
Lourens River: Flood alleviation	26 300 000
Mitchells Plain: Steenbrass 132 kV overhead line	24 259 000
Langverwacht/Amandel/Zevenwacht road upgrade	23 000 000
Electrification	22 330 000
Electricity system equipment replacement	21 000 000
Zandvliet plant re-use (50 Mℓ)	20 800 000
Mitchells Plain: Beacon Valley housing project	20 500 000

East: Kuils River, Blue Downs, Black Heath, Khayelitsha, Macassar, Eersterivier, Somerset West, Strand, Sir Lowry's Pass, Gordon's Bay.

SOUTH	
Cape Flats: Wastewater treatment works refurbishment	115 000 000
Retreat: Low lift pump station	60 000 000
Coastal Park: Design and development (MRF)	60 000 000
Coastal Park: Design and development	55 000 000
System equipment replacement	45 000 000
Cape Flats aquifer recharge	43 500 000
Prince George: New refuse drop-off facility	35 500 000
Kommetjie Road and Ou Kaapse Weg: Road dualling	24 900 000
Ottery Road: Reconstruction	21 260 000
Major upgrade (internal) of public housing	20 463 801
Medium voltage refurbishment	20 000 000
Retreat: Public transport interchange	20 000 000
Grassy Park: Non-motorised transport	20 000 000
Medium voltage system infrastructure	19 000 000
Kommetjie: Upgrade of waste minimisation drop-off	14 700 000
Mitchells Plain: Depot upgrade	14 430 000
Retreat: Upgrade of waste minimisation drop-off	13 700 000
Electrification: backyards	13 021 000

South: Simon's Town, Muizenberg, Hout Bay, Wynberg, Newlands, Rondebosch, Philippi, Grassy Park, Pelican Park and Mitchells Plain.

OPERATING EXPENDITURE BUDGET PER AREA

DIRECTORATE	NORTH	EAST	CENTRAL	SOUTH	CITY-WIDE	TOTAL BUDGET
Community Services and Health	623 560 282	513 029 277	605 193 281	631 397 914	1 552 198 068	3 925 378 822
Corporate Services	574 859 354		29 221 912		1 204 585 907	1 808 667 173
Economic Opportunities and Asset Management	284 144 682	42 962 205	78 402 073	33 729 867	928 971 544	1 368 210 370
Energy and Climate Change	278 114 201	170 995 662	173 761 514	252 919 321	11 184 929 003	12 060 719 701
Finance	310 196 744	54 224 833	115 603 287	18 872 259	2 505 519 879	3 004 417 002
Human Settlements	13 359 282	12 252 294	140 908 009	28 169 957	1 274 120 782	1 468 810 323
Office of the City Manager					237 561 223	237 561 223
Safety and Security	469 055 370	253 091 603	243 864 288	328 814 935	2 303 728 824	3 598 555 020
Spatial Planning and Environment	75 464 197	70 379 086	101 122 652	63 750 641	400 757 562	711 474 138
Transport	205 688 608	182 794 220	348 688 899	120 151 667	2 821 978 365	3 679 301 759
Urban Management	206 158 774	54 921 275	96 947 101	72 464 668	711 887 112	1 142 378 930
Water and Waste	1 836 543 257	1 239 310 615	647 510 461	584 943 155	4 465 835 053	8 774 142 541
TOTAL	4 877 144 750	2 593 961 069	2 581 223 479	2 135 214 384	29 592 073 322	41 779 617 003