



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

2021/22 - 2023/24 BUDGET

26 MAY 2021

PART 1 - ANNUAL BUDGET	2
1.1 MAYOR'S REPORT	2
1.2 COUNCIL RESOLUTIONS	4
1.3 EXECUTIVE SUMMARY	7
1.4 OPERATING REVENUE FRAMEWORK.....	18
1.5 OPERATING EXPENDITURE FRAMEWORK.....	28
1.6 CAPITAL EXPENDITURE	33
1.7 ANNUAL BUDGET TABLES	39
PART 2 – SUPPORTING DOCUMENTATION	61
2.1 OVERVIEW OF ANNUAL BUDGET PROCESS.....	61
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN (IDP) AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP).....	64
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	69
2.4 OVERVIEW OF BUDGET RELATED-POLICIES	82
2.5 OVERVIEW OF BUDGET ASSUMPTIONS APPLIED TO THE 2021/22 MTREF	83
2.6 OVERVIEW OF BUDGET FUNDING	83
2.7 WARD ALLOCATIONS.....	116
2.8 EXPENDITURE ON TRANSFERS AND GRANT PROGRAMMES.....	117
2.9 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY	120
2.10 COUNCILLOR AND STAFF BENEFITS	121
2.11 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW	124
2.12 ANNUAL BUDGETS – INTERNAL DEPARTMENTS	133
2.13 ANNUAL BUDGET AND SERVICE DELIVERY AGREEMENT – CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC).....	202
2.14 ANNUAL BUDGET AND SERVICE DELIVERY AGREEMENT – CAPE TOWN STADIUM (CTS)	209
2.15 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS	215
2.16 DETAILS OF EXPENDITURE BY ASSET CLASS.....	221
2.17 DETAILS OF CAPITAL EXPENDITURE	227
2.18 LEGISLATION COMPLIANCE STATUS.....	229
2.19 EXTERNAL MECHANISMS	229
2.20 OTHER SUPPORTING DOCUMENTS	230
2.21 CONSOLIDATED BUDGET TABLES.....	243
2.22 MUNICIPAL MANAGER'S QUALITY CERTIFICATE.....	257

LIST OF TABLES

Table 1 - Expenditure components of the 2021/22 budget.....	8
Table 2 - Staff cost per vote (directorate).....	10
Table 3 - Revenue categories of the 2021/22 budget.....	11
Table 4 - Average Tariff increases for the 2021/22 MTREF.....	12
Table 5 - Capital funding sources for 2021/22.....	13
Table 6 - Selection of new sundry projects in the 2021/22 capital budget.....	16
Table 7 - Most significant projects/programmes for 2021/22.....	17
Table 8 - Summary of Revenue classified by main revenue sources.....	18
Table 9 - Revenue by source as a percentage of total budget.....	19
Table 10 - Operating Transfers and Grant Receipts (MBRR Table SA18).....	20
Table 11 - Proposed water tariffs: Non-indigent.....	23
Table 12 - Proposed sanitation tariffs: Non-indigent.....	23
Table 13 - Proposed water tariff (domestic consumption): Non-indigent.....	24
Table 14 - Proposed sanitation tariff (domestic consumption): Non-indigent.....	24
Table 15 - Comparison between current waste removal fees and increases.....	25
Table 16 - Comparison between current and proposed electricity charges (domestic consumption)	26
Table 17 - Impact of tariff increases on households (MBRR Table SA14).....	27
Table 18 - Summary of operating expenditure by main type.....	28
Table 19 - Operational repairs and maintenance.....	31
Table 20 - Capital budget per vote over the 2021/22 MTREF.....	33
Table 21 - MBRR Table A1 - Budget Summary.....	39
Table 22 - MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification).....	42
Table 23 - MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote).....	44
Table 24 - Surplus/(Deficit) calculations for the trading services.....	45
Table 25 - MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure).....	46
Table 26 - MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source.....	49
Table 27 - MBRR Table A6 - Budgeted Financial Position.....	51
Table 28 - MBRR Table A7 - Budgeted Cash Flow Statement.....	53
Table 29 - MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation.....	54
Table 30 - MBRR Table A9 - Asset Management.....	55
Table 31 - MBRR Table A10 - Basic Service Delivery Measurement.....	59
Table 32 - MBRR Table SA4 - Reconciliation between the IDP strategic objective and budgeted revenue.....	66
Table 33 - MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure.....	67
Table 34 - MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure.....	68
Table 35 - MBRR Table SA7 - Measureable performance objectives.....	71
Table 36 - MBRR Table SA8 - Performance indicators and benchmarks.....	74
Table 37 - Basic social package rebates.....	78
Table 38 - Collection Rates.....	92
Table 39 - Credit rating outlook.....	94
Table 40 - Capital Budget over MTREF.....	99
Table 41 - Summary of parameters applied to the operating budget.....	101
Table 42 - Breakdown of the operating revenue over the medium-term.....	102
Table 43 - MBRR Table SA15 - Detailed investment information.....	103
Table 44 - MBRR Table SA16 - Investment particulars by maturity.....	104
Table 45 - Sources of capital revenue over the MTREF.....	107

Table 46 - MBRR Table SA18 - Capital transfers and grants receipts	108
Table 47 - MBRR Table SA17 - Detail of borrowing	108
Table 48 - MBRR Table A7 - Budgeted cash flow statement.....	110
Table 49 - MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation.....	111
Table 50 - MBRR Table SA10 - Funding compliance measurement	113
Table 51 - MBRR Table SA19 - Expenditure on transfers and grant programmes.....	117
Table 52 - MBRR Table SA22 - Summary of councillor and staff benefits	121
Table 53 - MBRR Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior officials) for the 2021/22 financial year	122
Table 54 - MBRR Table SA24 - Summary of personnel numbers	123
Table 55 - MBRR Table SA25 - Budgeted monthly revenue and expenditure	124
Table 56 - MBRR Table SA26 - Budgeted monthly revenue and expenditure (municipal vote)	126
Table 57 - MBRR Table SA27 - Budgeted monthly revenue and expenditure (functional classification)	127
Table 58 - MBRR Table SA28 - Budgeted monthly capital expenditure (municipal vote).....	129
Table 59 - MBRR Table SA29 - Budgeted monthly capital expenditure (functional classification).....	130
Table 60 - MBRR Table SA30 - Budgeted monthly cash flow	131
Table 61 - Community Services & Health (Vote 1) - operating revenue by source, expenditure by type and total capital expenditure.....	136
Table 62 - Corporate Services (Vote 2) - operating revenue by source, expenditure by type and total capital expenditure.....	142
Table 63 - Economic Opportunities & Asset Management (Vote 3) - operating revenue by source, expenditure by type and total capital expenditure.....	147
Table 64 - Energy & Climate Change (Vote 4) - operating revenue by source, expenditure by type and total capital expenditure.....	152
Table 65 - Finance (Vote 5) - operating revenue by source, expenditure by type and total capital expenditure	157
Table 66 - Human Settlements (Vote 6) - operating revenue by source, expenditure by type and total capital expenditure.....	161
Table 67 - Office of the City Manager (Vote 7) - operating revenue by source, expenditure by type and total capital expenditure.....	166
Table 68 - Safety & Security (Vote 8) - operating revenue by source, expenditure by type and total capital expenditure.....	171
Table 69 - Spatial Planning & Environment (Vote 9) - operating revenue by source, expenditure by type and total capital expenditure.....	179
Table 70 - Transport (Vote 10) - operating revenue by source, expenditure by type and total capital expenditure	187
Table 71 - Urban Management (Vote 11) - operating revenue by source, expenditure by type and total capital expenditure.....	191
Table 72 - Solid Waste Management (Vote 12) - operating revenue by source, expenditure by type and total capital expenditure.....	195
Table 73 - Water & Sanitation Services (Vote 12) - operating revenue by source, expenditure by type and total capital expenditure.....	201
Table 74 - CTICC – Service Delivery Agreement.....	203
Table 75 - CTICC - Table D1 Budget Summary.....	204
Table 76 - CTICC - Table D2 Budgeted Financial Performance (revenue and expenditure).....	205
Table 77 - CTICC - Table D3 Capital Budget by vote and funding.....	206
Table 78 - CTICC - Table D4 Budgeted Financial Position.....	207
Table 79 - CTICC – Table D5 Budgeted Cash Flow	208
Table 80 - CTS – Service Delivery Agreement.....	210
Table 81 - CTS - Table D1 Budget Summary.....	211
Table 82 - CTS - Table D2 Budgeted Financial Performance (revenue and expenditure)	212
Table 83 - CTS - Table D4 Budgeted Financial Position	213

Table 84 - CTS - Table D5 Budgeted Cash Flow.....	214
Table 85 - MBRR Table SA33 - Contracts having future budgetary implications	215
Table 86 - Projects having future budgetary implications.....	217
Table 87 - MBRR Table SA34a - Capital expenditure on new assets by asset class	221
Table 88 - MBRR Table SA34b - Capital expenditure on the renewal of existing assets by asset class	222
Table 89 - MBRR Table SA34c - Repairs and maintenance expenditure by asset class	223
Table 90 - MBRR Table SA34d - Depreciation by asset class.....	224
Table 91 - MBRR Table SA34e - Capital expenditure on the upgrading of existing assets by asset class	226
Table 92 - MBRR Table SA35 - Future financial implication of the capital budget.....	227
Table 93 - MBRR Table SA37 - Projects delayed from previous financial year(s).....	228
Table 94 - MBRR Table SA1 - Supporting detail to budgeted financial performance	230
Table 95 - MBRR Table SA2 - Matrix financial performance budget (revenue source/expenditure type and department).....	232
Table 96 - MBRR Table SA3 - Supporting detail to Statement of Financial Position.....	234
Table 97- MBRR Table SA9 - Social, economic and demographic statistics and assumptions	237
Table 98 - MBRR Table SA9 - Detail on the provision of municipal services for Table A10 (Basic service delivery measurement).....	239
Table 99 - MBRR Table A1 - Consolidated Budget Summary	243
Table 100 - MBRR Table A2 - Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)	245
Table 101 - MBRR Table A3 - Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote).....	246
Table 102 - MBRR Table A4 - Consolidated Budgeted Financial Performance (revenue and expenditure).....	247
Table 103 - MBRR Table A5 - Consolidated Budgeted Capital Expenditure by vote, standard classification and funding.....	248
Table 104 - MBRR Table A6 - Consolidated Budgeted Financial Position	249
Table 105 - MBRR Table A7 - Consolidated Budgeted Cash Flows.....	250
Table 106 - MBRR Table A8 - Consolidated Cash backed reserves/accumulated surplus reconciliation	251
Table 107 - MBRR Table A9 - Consolidated Asset Management.....	252
Table 108 - MBRR Table A10 - Consolidated Basic Service Delivery Measurement.....	255

LIST OF FIGURES

Figure 1 Main operational expenditure categories for the 2021/22 financial year	30
Figure 2 Capital Infrastructure Programme.....	37
Figure 3 Revenue by source.....	47
Figure 4 Expenditure by type	48
Figure 5 Depreciation in relation to repairs and maintenance for previous years and over the MTREF.....	58
Figure 6 IDP and Budget link	65
Figure 7 Planning, budgeting and reporting cycle	69
Figure 8 Correlation between the City's CPI and the salary increase over the MTREF.....	93
Figure 9 Revenue parameters for the MTREF period	96
Figure 10 Breakdown of operating revenue over the 2021/22 MTREF	102
Figure 11 Sources of capital revenue for the 2021/22 financial year.....	107
Figure 12 Growth in outstanding borrowings (long-term liabilities).....	109
Figure 13 Cash and cash equivalents / cash backed reserves and accumulated funds.....	112

LIST OF ANNEXURES

Annexure 1	<i>Multi-year capital appropriations by vote</i>
Annexure 2	<i>Property (Tax) Rates</i>
Annexure 3	<i>City Improvement Districts (CIDs) Additional Rates</i>
Annexure 4	<i>Revised consumptive tariffs, rates and basic charges for electricity generation and distribution, water and sanitation and solid waste management services</i>
Annexure 5	<i>Rates policy</i>
Annexure 6	<i>Tariffs, fees and charges book</i>
Annexure 7	<i>Tariff policies</i>
Annexure 8	<i>Credit control and debt collection policy</i>
Annexure 9	<i>Grants-In-Aid policy</i>
Annexure 10	<i>Policy on Accounts Payable</i>
Annexure 11	<i>Funding and Reserves Policy</i>
Annexure 12	<i>Virement Policy</i>
Annexure 13	<i>Budget Management and Oversight Policy</i>
Annexure 14	<i>Long Term Financial Plan Policy</i>
Annexure 15	<i>Policy Governing Adjustments Budgets</i>
Annexure 16	<i>Unforeseen and Unavoidable Expenditure Policy</i>
Annexure 17	<i>Policy Governing Planning and Approval of Capital Projects</i>
Annexure 18	<i>Cost Containment Policy</i>
Annexure 19	<i>Municipal Entities Policy</i>
Annexure 20	<i>Proposed amendments to the 2017-2022 approved Integrated Development Plan for 2021/22</i>
Annexure 21	<i>Overview of budget assumptions applied to the 2021/22 MTREF required to be included in Annexure 20 (IDP)</i>
Annexure 22	<i>Transfers and grants to external organisations</i>
Annexure 23	<i>Individual projects with a total project cost in excess of R50 million [to give effect to Section 19(1)(b) of the MFMA and Regulation 13(1)(b) of the MBRR]</i>
Annexure 24	<i>Detailed capital budget (MBRR Table SA36)</i>
Annexure 25	<i>Details to capital programmes (2021/22 to 2023/24)</i>
Annexure 26	<i>Detailed operational projects (MBRR Table SA38)</i>
Annexure 27	<i>Operating- and capital ward allocation projects supported by Subcouncils</i>
Annexure 28	<i>External mechanisms (MBRR Table SA32)</i>
Annexure 29	<i>Schedule of Service Delivery Standards</i>
Annexure 30	<i>Iconic and other events to be hosted by the City in 2021/22</i>
Annexure 31	<i>Cape Town International Convention Centre (CTICC) (Municipal Entity)- Schedule D (annual budget and supporting tables)</i>
Annexure 32	<i>Cape Town International Convention Centre (CTICC) (Municipal Entity) - Business plan</i>
Annexure 33	<i>Cape Town International Convention Centre (CTICC) (Municipal Entity) - Tariffs</i>
Annexure 34	<i>Cape Town Stadium (CTS) (Municipal Entity) - Schedule D (annual budget and supporting tables)</i>
Annexure 35	<i>Cape Town Stadium (CTS) (Municipal Entity) - Business plan</i>
Annexure 36	<i>Cape Town Stadium (CTS) (Municipal Entity) - Tariff Policy & Tariffs</i>
Annexure 37	<i>Demand (Procurement) Plan</i>
Annexure 38	<i>National Treasury Circulars 107 and 108 - Municipal Budget Circulars for the 2021/22 MTREF</i>

GLOSSARY OF TERMS AND ABBREVIATIONS

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act, this is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial- and National Treasury.

Budget – The financial plan of a municipality.

Budget-related policy – Policy of a municipality affecting, or affected by, the budget. Examples include tariff policy, rates policy and credit control and debt collection policy.

Budget Steering committee (BSC) – Committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the municipality, and the cash and short-term investment balances.

CGD – Capital Grants and Donations

CCT/City – City of Cape Town

CPI – Headline Consumer Price Index

CRR – Capital Replacement Reserve

CTICC – Cape Town International Convention Centre

CTS – Cape Town Stadium

DMTN – Domestic Medium Term Note

DoRA – Division of Revenue Act. Annual legislation, which shows the allocations from national to local government.

DoRb – Division of Revenue Bill. Annual legislation tabled in parliament, but not enacted, which shows the allocations from national to local government.

Executive Management Team (EMT) – A team comprising of the City Manager and the Executive Directors reporting to the City Manager.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted at assisting municipalities with the costs of free basic services.

GDFI – Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI – Key Performance Indicators. Measure of service outputs and/or outcomes.

MayCO – Mayoral Committee

MBRR – Municipal Budget Reporting Regulations

MFMA – Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

mSCOA – municipal Standard Chart of Accounts

MTREF – Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.

MYPD – Multi Year Price Determination

NT – National Treasury

Operating Expenditure – The day-to-day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Portfolio Committee – In line with S.79 of the Structures Act, the City's Portfolio Committees process policies and by-laws relating to the functional areas within their terms of reference, and are responsible for implementation monitoring of these, as well as oversight of the functional areas. Portfolio Committees are also responsible for assessing and monitoring services delivery, ensuring that annual budgets are spent wisely, and that there is no wastage or corruption.

Rates – Local Government tax based on assessed valuation of a property.

TMA – Total Municipal Account

SDBIP – Service Delivery Budget Implementation Plan. A detailed plan comprising of quarterly performance targets and monthly budget estimates.

SFA – Strategic Focus Areas. The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these Strategic Focus Areas.

Subcouncils – The metropolitan area governed by the City is divided into subcouncils, each of which is made up of a number of wards. Each ward is made up of a number of suburbs and is represented by a councillor.

Vote – One of the main segments into which a budget is divided, usually at directorate level.

Part 1 - Annual Budget

1.1 *Mayor's Report*

The annual budget for 2021/22 outlines the funded commitments of the City, which will see us deliver on our Integrated Development Plan (IDP) and associated strategies in order to effectively support the lives and livelihoods of all our residents.

The current COVID-19 global pandemic has placed huge strain on our residents and on the City's capacity to deliver financially sustainable services.

Until such time as we reach herd-immunity, through the roll-out of an effective global vaccination programme, we anticipate that we will continue to operate within the constraints of some form of lockdown imposed through the Disaster Emergency Regulations, and the associated additional costs of delivering services within the public health response. These constraints will not prevent us from delivering services which sustain both lives and livelihoods. We have determined to continue to chart a recovery path for the City, and ensure that the appropriate levels of services are delivered as efficiently as possible. The investments made through this budget will not only help to ensure services are delivered and communities are protected, but they will also support the recovery of our economy.

Knowing the economic fallout from this crisis and how it has impacted on the income levels of businesses and residents we have placed significant emphasis on ensuring that this budget does not impose further economic hardship. As such we have ensured that, through extensive expenditure cuts, the rates and tariff increases have been kept to an absolute minimum.

Among these cuts is a commitment that there will be zero percent cost of living increase in the salaries and wages provision in the 2021/22 financial year. To achieve this, the City has petitioned the Local Government Bargaining Council to not award any salary increases for staff and councillors. We understand that this has been a hard year for staff and councillors who have admirably continued to deliver services and support communities under trying circumstances, but we all need to make sacrifices in order to achieve longer term sustainability. It is unconscionable that those in the public sector, by virtue of being subject to collective agreements should impose further strain on the residents we serve, however, should the bargaining council bind us to making such increases, the City's staff numbers will have to be decreased to achieve this commitment.

Our Cost Containment Policy continues to reduce our dependency on consultants and other contracted services, and place greater control on expenses incurred by councillors and officials, amongst other measures. In addition, and in concert with our review of staff costs, we are interrogating our utilisation of office accommodation in response to the relative success that we have had in shifting work onto electronic platforms.

Unfortunately, on account of the 15.06% increase in electricity prices awarded to Eskom from NERSA for bulk purchases – resulting in an increase from Eskom to municipalities of 17.8%, the City has not been able to fully mitigate the effect of this on the electricity tariff. The additional expenditure cuts which we have made will however ensure that residents and businesses don't bear the full brunt of this tariff increase.

In light of the pressure on the National Budget, we have seen a tapering-off of transfers – meaning that we have less available from that source to fund our activities.

Furthermore, the sound budget implementation from previous years, which allowed us to historically support the budget with surpluses from previous years, is not a sustainable option available to us in this budget as these surpluses are not available to further support our financial plan as a sustainable funding source. This support has thus been phased out of the budget.

Despite these constraints, we have ensured the prioritisation of our Capital Expenditure programme, repairs and maintenance provision and expenditure that is required to ensure ongoing delivery of basic services to all citizens. We need to ensure that we can deliver these services as cost effectively as possible and will continue to pursue actions which mitigate service delivery cost increases – including a concerted effort to minimize the incidence of unlawful land occupation and vandalism which places an inordinate burden on service delivery. Whilst these phenomena call for an effective application of the rule of law, they also require that we ensure sufficient and proactive protection of land and infrastructure as well as double-down on our efforts to create opportunities for well-located and serviced settlements.

Our budget has been a careful balancing act between meeting the service delivery needs of all businesses and residents in these trying times and stemming further economic decline in this constrained context. Although COVID-19 again had an impact on the public participation process, nearly 2000 comments were received from an extensive process, which saw engagements with more than 230 ward-based community representatives across the metro through a combination of face-to-face and digital meetings in addition to the distribution of the budget information in libraries, sub council offices and online. We are extremely grateful for the members of the community who engaged with this process.

As in previous years, but particularly within the current climate, we must acknowledge and thank residents and businesses for their sustained high- level of payments which is key to ensuring that the municipality can continue to provide services to all who seek a livelihood in our City.

1.2 Council Resolutions

The 2021/22 MTREF budget resolutions recommend that:

1. The City's annual budget for the financial year 2021/22; and projected allocations for the two outer years 2022/23 and 2023/24, and related policies as set out in the following tables and annexures, be adopted.
 - a. Operating revenue and expenditure by standard classification reflected in Table 22.
 - b. Operating revenue and expenditure by vote reflected in Table 23.
 - c. Operating revenue by source and expenditure by type reflected in Table 25.
 - d. Multi-year capital appropriations by vote reflected in Annexure 1.
 - e. Capital expenditure by standard classification reflected in Table 26.
 - f. Capital funding by source reflected in Table 26.
 - g. Budgeted cash flow statement as reflected in Table 28.
 - h. Salaries and benefits of political office bearers, councillors and senior officials as reflected in Table 52 and Table 53.
 - i. Performance indicators and benchmarks for 2021/22 as set out in Table 36.
 - j. Consolidated budget tables for the City and municipal entities (CTICC and CTS) as reflected in Table 99 to Table 108.
 - k. Property (Tax) Rates as set out in Annexure 2.
 - l. City Improvement Districts (CIDs) - Additional Rates as set out in Annexure 3.
 - m. Revised consumptive tariffs, rates and basic charges for electricity generation and distribution, water and sanitation and solid waste management services as set out in Annexure 4.
 - n. Rates policy as set out in Annexure 5.
 - o. Tariffs, fees and charges book as set out in Annexure 6.
 - p. Tariff policies as set out in Annexure 7.
 - q. Credit control and debt collection policy as set out in Annexure 8 (with effect from 01 June 2021).
 - r. Grants-in-Aid policy as set out in Annexure 9.
 - s. Policy on accounts payable as set out in Annexure 10.
 - t. Funding and reserves policy as set out in Annexure 11.
 - u. Virement policy as set out in Annexure 12.
 - v. Budget management and oversight policy as set out in Annexure 13.
 - w. Long term financial plan policy as set out in Annexure 14.
 - x. Policy governing adjustments budgets as set out in Annexure 15.
 - y. Unforeseen and unavoidable expenditure policy as set out in Annexure 16.

- z. Policy governing planning and approval of capital projects as set out in Annexure 17.
- aa. Cost containment policy as set out in Annexure 18.
- bb. Municipal entities policy as set out in Annexure 19.
- cc. Proposed amendments to the 2017-2022 approved Integrated Development Plan (IDP) for 2021/22 as set out in Annexure 20.
- dd. Overview of budget assumptions applied to the 2021/22 MTREF required to be included in Annexure 20 (IDP) as set out in Annexure 21.
- ee. Transfers and grants to external organisations as set out in Annexure 22.
- ff. Individual projects with a total project cost in excess of R50 million (to give effect to Section 19(1)(b) of the MFMA and Regulation 13(1)(b) of the MBRR) as reflected in Table 86 and as set out in Annexure 23.
- gg. Projected cost covering all financial years until capital projects are operational as well as future operational costs and revenue on projects/programmes, to give effect to sections 19(2) and 19(3) of all projects and programmes as listed in Annexure 23 and Annexure 1.
- hh. Detailed capital budget (MBRR Table SA36) as set out in Annexure 24.
- ii. Details to capital programmes (2021/22 to 2023/24), as set out in Annexure 25.
- jj. Detailed operational projects (MBRR Table SA38) as set out in Annexure 26.
- kk. Operating- and capital ward allocation projects supported by Subcouncils as set out in Annexure 27.
- ll. External mechanisms (MBRR Table SA32) as set out in Annexure 28.
- mm. Schedule of service delivery standards as set out in Annexure 29.
- nn. Iconic and other events to be hosted by the City in 2021/22 as set out in Annexure 30.
- oo. Cape Town International Convention Centre (CTICC) (Municipal Entity) - Schedule D (annual budget and supporting tables) as set out in Annexure 31.
- pp. Cape Town International Convention Centre (CTICC) (Municipal Entity) - Business plan as set out in Annexure 32.
- qq. Cape Town International Convention Centre (CTICC) (Municipal Entity) - Tariffs as set out in Annexure 33.
- rr. Cape Town Stadium (CTS) (Municipal Entity) - Schedule D (annual budget and supporting tables) as set out in Annexure 34.
- ss. Cape Town Stadium (CTS) (Municipal Entity) - Business plan as set out in Annexure 35.
- tt. Cape Town Stadium (CTS) (Municipal Entity) - Tariff policy and tariffs as set out in Annexure 36.

2. That Council notes the intent of the administration to follow MFMA Section 33 processes on items marked with an 'X' as reflected in the Demand (Procurement) Plan as set out in Annexure 37 to the report.
3. That Council notes National Treasury MFMA Circulars 107 and 108 (Municipal Budget Circulars for 2021/22) as set out in Annexure 38 to the report.
4. That Council approves an amount of up to R22 million, to be funded from within the Rates account, in support of the Council approved Mayor's Special Fund objective as contemplated in Section 12 of the MFMA.
5. That Council approves the *Capital Replacement Reserve(CRR): Ward Allocations* for the 2021/22 financial year amounting to R64 382 100 will be funded from savings identified in the 2020/21 financial year.
6. The high level summary of changes between the tabled and the proposed budget as reported in Annexure B, be adopted. It should be noted that these changes have already been incorporated into Annexure A of this report.
7. That Council approves the commencement of a process, in compliance with Section 46 of the Municipal Finance Management Act (MFMA), to take up funding to an amount of R2.5 billion depending on the City's cash flow requirements. Should the cash flow position be sufficient to fund the capital programme either partially or fully, the funding will be adjusted accordingly.

1.3 Executive Summary

a. Past performance

The key focus of the City is to look after the people of Cape Town, especially the vulnerable, ensuring that the City is welcoming to all people, and making residents feel at home. In order to achieve these key focus areas, it's the City's objective to be excellent in basic service delivery and mainstreaming basic service delivery to informal settlements and backyard dwellers.

Some of the key achievements and highlights of the City's basic service delivery excellence and mainstreaming in the 2019/20 financial year

- The City continues to run various programmes aimed at providing stable electricity services to informal settlements, backyarders and subsidised housing developments. These services require various network upgrades, maintenance or replacement at various times, and are constantly monitored to reduce the potential for power failures in these areas. The City installed 1 996 subsidised electricity connections in 2019/20, bringing the total to 23 052 since 2012/13.
- The City's human settlements programme is focused on the promotion of transit-oriented development as a means of addressing and reversing apartheid legacy planning. Creating affordable housing on well-located land close to public transport and job opportunities is a cornerstone of the City's efforts to bring redress and greater parity of services and opportunities to all residents in Cape Town. In 2019/20, the City brought the total number of housing opportunities created since 2012/13 to 58 602 and transferred more than 17 000 title deeds to vulnerable and senior residents since 2012.
- The mainstreaming of basic service delivery to informal settlements and backyard dwellers remains a key transformational priority for the City. This commitment is reflected in the City's budget, which has earmarked more than R850 million in the medium term for upgrades to informal settlements and backyarder services. Since 2014, the Informal Settlements department has installed 3 052 water and sanitation points (2019/20: 428) in the homes of backyard dwellers on city rental property. This water and sanitation provision project will continue with the roll-out of a further 2 000 such services to backyard dwellers envisaged over the next three years.

b. Total Budget

The total budget quantum for the 2021/22 financial year is R56 590 million, of which R48 275 million (85.3%) is allocated to the operating budget and R8 315 million (14.7%) to the capital budget.

c. Operating Budget**Expenditure**

Total operating expenditure amounts to R48 275 million for the 2021/22 financial year.

Table 1 - Expenditure components of the 2021/22 budget

Category R Thousand	Budget 2020/21 (Original)	Budget 2021/22	Year-on-year
Employee related costs	15 203 365	15 612 510	2.69%
Remuneration of councillors	189 675	179 826	-5.19%
Debt impairment	3 640 353	2 716 859	-25.37%
Depreciation & asset impairment	3 300 067	3 013 855	-8.67%
Finance charges	828 460	794 747	-4.07%
Bulk purchases - electricity	9 585 215	11 182 400	16.66%
Inventory consumed	2 004 792	3 703 850	84.75%
Contracted services	7 215 975	7 960 363	10.32%
Transfers and subsidies	498 081	464 263	-6.79%
Other expenditure	2 362 108	2 632 043	11.43%
Losses	2 002	14 124	605.34%
Total Expenditure	44 830 093	48 274 839	7.68%

Major components for 2021/22 include:

- Employee related costs - R15 613 million**

In the absence of an existing Salary and Wage Collective Agreement for the 2021/22 MTREF, and considering the City's available resources and medium term financial positions, a 0% (zero percent) cost of living salary and wage increase is provided for all staff posts in the 2021/22 financial year. The year-on-year increase of 2.69% as reflected in the above table is attributable to the proposed additional posts for service enhancements allotted to various directorates during the Strategic Management Framework (SMF) process, which include, inter alia, additional law enforcement officers for the Law Enforcement Advancement Project (LEAP) that are partially grant funded, allocations to address capacity gaps relating to the Core Application Review (CAR) and the Broadband Implementation Project (BIP), and a 2% notch increment for T-grades 13 and lower. It is important to note that, in addition, all City vacancies were reviewed and reprioritised to reduce the wage bill. Details of these interventions are provided within relevant sections of this document.

- Remuneration of councillors - R179.8 million**

Considering the City's available resources as well as its financial position, there were no increases (zero percent) implemented for councillor remuneration in the 2021/22 financial year. In addition, a reduction on ad hoc travelling allowance was implemented based on past and current expenditure trends.

- **Debt Impairment - R2 717 million**

This allocation is influenced by current projected collection rates and the budgetary treatment of fines as prescribed in the iGRAP1 Accounting Standard, which states that fines should be budgeted for at 100% of fines issued. Prior to iGRAP1 implementation, the City accounted for revenue from fines on the basis of estimated collectable revenue. A provision for the amount deemed uncollectable has been included in the budget, which is based on collection rates achieved to date and projected over the MTREF period, as well as the City's arrears and debt recovery policies. Increased debt impairment provisions in the last financial year were due to anticipated consumer payment behaviour impacted by COVID-19 pandemic. Current collection rates necessitated a reduction in the allocation for the 2021/22 financial year.

- **Finance charges - R795 million**

This category consists primarily of the repayment of interest on long-term borrowing (cost of capital) of the 2021/22 operating expenditure (excluding redemption costs). The City is planning to take up external loans towards the end of the 2021/22 financial year of which the impact will be reflected in the 2022/23 financial year.

- **Bulk Purchases - Electricity - R11 182 million**

This provision is for the purchase of electricity from Eskom and is influenced by consumer behaviour. In this regard, annual price increases have been factored into the budget appropriations, which in turn impacts on the tariff requirements for these tariff-based services.

- **Inventory consumed – R3 704 million**

Inventory consumed caters for items such as, fuel, materials for maintenance, cleaning materials, chemicals and bulk water purchases. The noticeable increase to this expenditure category is due to the requirement from National Treasury to reflect current bulk purchases procedures as part of the Inventory System in line with the standard municipal Chart of Accounts (mSCOA) and GRAP12 accounting principles for inventory. However, the increased expenditure is offset by Gains as per Table 3 below. The expenditure increase therefore does not have an additional impact on the tariffs.

- **Contracted services - R7 960 million**

This allocation includes contractors for repairs and maintenance, outsourced services where the City has no capacity and expertise to carry out certain services, and consultants and professional services.

- **Other expenditure of R2 632 million, includes provisions for, inter alia:**

- Special Rating Areas (MIDs/CIDs) – R285 million
- Collection costs – R213 million
- Electricity costs – R177 million
- Software licenses and upgrades – R180 million
- Specialised Information Technology – R229 million
- Insurance – R157 million
- Uniform and protective clothing – R119 million
- Levy: Skills Development – R117 million
- Software licences: upgrade/protection – R181 million
- Bulk Water: Levy (Berg Water project) – R135 million
- Indigent relief: Electricity (Eskom) – R122 million

Staff cost growth

Section 6.1 of Municipal Budget Circular 107 reads:

“The Salary and Wage Collective Agreement for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality’s available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.”

In the absence of an existing Salary and Wage Collective Agreement for the 2021/22 MTREF, and considering the City’s available resources and medium term financial positions, a 0% (zero percent) cost of living salary and wage increase is provided for all staff posts in the 2021/22 financial year. The year-on-year increase of 2.69% as reflected in the above table is attributable to the proposed additional posts for service enhancements allotted to various directorates during the Strategic Management Framework (SMF) process, which include, inter alia, additional law enforcement officers for the Law Enforcement Advancement Project (LEAP) that are partially grant funded, allocations to address capacity gaps relating to the Core Application Review (CAR) and the Broadband Implementation Project (BIP), and a 2% notch increment for T-grades 13 and lower. It is important to note that, in addition, all City vacancies were reviewed and reprioritised to reduce the wage bill. Details of these interventions are provided within relevant sections of this document.

Table 2 - Staff cost per vote (directorate)

Vote (Directorate) R Thousand	Budget 2020/21 (Original)	Budget 2021/22	Year-on-year
Vote 1 - Community Services & Health	2 672 974	2 439 204	-8.75%
Vote 2 - Corporate Services	1 147 271	1 298 182	13.15%
Vote 3 - Economic Opportunities & Asset Managemnt	530 675	542 918	2.31%
Vote 4 - Energy & Climate Change	1 453 129	1 418 029	-2.42%
Vote 5 - Finance	1 093 854	1 109 543	1.43%
Vote 6 - Human Settlements	421 085	488 001	15.89%
Vote 7 - Office of the City Manager	180 037	175 411	-2.57%
Vote 8 - Safety & Security	2 760 103	2 948 177	6.81%
Vote 9 - Spatial Planning & Environment	580 292	612 810	5.60%
Vote 10 - Transport	843 576	843 169	-0.05%
Vote 11 - Urban Management	401 311	356 955	-11.05%
Vote 12 - Water & Waste	3 119 058	3 380 111	8.37%
Total staff costs	15 203 365	15 612 510	2.69%

A reduction on staff costs is noticeable in the following directorates:

- Community Services & Health, due to revised staffing requirements relating to the COVID-19 pandemic, and vacancy cuts;
- Energy & Climate Change, due to vacancy cuts;
- Office of the City Manager, due to vacancy cuts; and
- Urban Management directorate, due to budgetary shifts from the Mayor's Job Creation project to Contracted Services, and vacancy cuts.

Revenue

Operating revenue amounts to R47 510 million in the 2021/22 financial year.

Table 3 - Revenue categories of the 2021/22 budget

Category R Thousand	Budget 2020/21 (Original)	Budget 2021/22	Year-on-year
Revenue By Source			
Property rates	10 511 519	10 984 132	4.50%
Service charges - electricity revenue	13 789 334	15 734 566	14.11%
Service charges - water revenue	3 194 459	3 556 345	11.33%
Service charges - sanitation revenue	1 616 486	1 775 113	9.81%
Service charges - refuse revenue	1 285 431	1 330 442	3.50%
Rental of facilities and equipment	359 559	350 647	-2.48%
Interest earned - external investments	847 535	855 119	0.89%
Interest earned - outstanding debtors	389 137	449 452	15.50%
Dividends received	–	–	–
Fines, penalties and forfeits	1 063 333	1 247 015	17.27%
Licences and permits	76 875	67 110	-12.70%
Agency services	242 236	261 614	8.00%
Transfers and subsidies	5 608 724	5 650 364	0.74%
Other revenue	3 190 491	3 194 622	0.13%
Gains	50 000	2 053 058	4006.12%
Total Revenue (excluding capital transfers and contributions)	42 225 117	47 509 600	12.52%

Major components for 2021/22 include:

- **Property rates (R10 984 million)**
The rates increase was kept to a minimum, but the CPI increase is not indicative of the increases felt in a municipal environment. To minimise the impact of the COVID-19 lockdown as well as the additional cost incurred as a result of the COVID-19 pandemic and not refunded in terms of the Disaster legislation, the City has extensively cut the budget and cushioned the property rates increase through the use of internal funds. The increase of 4.50% is the outcome of these adjustments, while still ensuring the minimum service delivery levels and increased support to those negatively affected by the pandemic.
- **Service charges – electricity revenue (R15 735 million)**
NERSA approved an average percentage price increase of 15.06% to Eskom for the 2021/22 financial year. This increase translates to a 17.80% increase for municipalities, which in turn translates into a 13.48% average increase for City supplied consumers.
- **Service Charges – Water Revenue (R3 556 million) and Sanitation Revenue (R1 775 million)**
The 2021/22 revenue projections are based on Level Water Wise (no restriction) tariffs as from 1 July 2021.

- **Transfers and Subsidies (R5 650 million; National- and Provincial allocations)**

For purpose of budget compilation, national allocations are based on the 2021 Division of Revenue Bill (B3-2021), and Government Gazette No 44173 dated 5 February 2021. Provincial allocations are based on Provincial Gazette Extraordinary 8400 dated 16 March 2021.

- **Gains (R2 053 million)**

The increase on this revenue category relates to the requirement from National Treasury to reflect current bulk purchases procedures as part of the Inventory System in line with the mSCOA and GRAP12 accounting principles for inventory which is offset by the increase in expenditure as reflected in Table 1 above.

Individual service tariffs/Rates

The proposed tariff increases in the table below are averages; i.e. some ratepayers and service users may pay more and others less than the average as a result of the impact of rebates, usage/consumption, property value and type of consumer.

Table 4 - Average Tariff increases for the 2021/22 MTREF

Category	Base Year 2020/21	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rates	3.96%	4.51%	5.00%	5.00%
Electricity	4.83%	13.48%	13.18%	13.36%
Water	4.50%	5.00%	5.00%	5.00%
Sanitation	4.50%	5.00%	5.00%	5.00%
Refuse	3.50%	3.50%	4.00%	5.00%
Disposal	5.00%	4.41%	8.94%	8.91%

Rates

There was an increase of 4.51% in the rate-in-the-rand from 0.005770 to 0.006030 for 2021/22.

The rate-in-the-rand for all categories of Property Rates for the 2021/22 financial year is reflected in the Tariff, fees and charges book (Annexure 6).

Definitions and listing of categories are reflected in the Rates Policy (Annexure 5).

Water & Sanitation

Level Water wise (no restriction) water and sanitation tariffs are recommended for implementation from 1 July 2021. There is a 5% tariff increased proposed on Level Water wise (no restriction) tariffs and this increase is also applicable for the proposed 2021/22 increases for level 1, level 2, level 3 and level emergency tariffs.

The proposed increases are predominantly due to the water augmentation plan to ensure security of water supply, upgrades and extensions to the wastewater treatment plants, water demand management initiatives, ensuring the management of assets at appropriate levels, sustain and enhance the maintenance programs as well as supplying water and sanitation at appropriate compliance, capacity, skills, service delivery and responsiveness levels.

The Bulk Water tariffs have also been increased by 5%.

There is a proposed 3.10% increase on miscellaneous tariffs, which are levied by Water and Sanitation for the provision of various services by the department i.e. installation of water connections and testing of meters etc. The aim of these tariffs is to recover the cost of the provision of a particular service to each customer.

The proposed consumption-based, as well as miscellaneous tariffs, are shown in the attached Tariffs, fees and charges book (Annexure 6).

Solid Waste

Solid Waste tariffs are levied to recover costs of services provided directly to customers and include refuse collection fees, disposal fees, compost sales, weighbridge fees and other ad hoc services.

Proposed average increases of 3.5% and 4.41% have been applied on consumptive tariffs for Collections and for Disposal respectively. A proposed average increase of 3.10% has been applied on miscellaneous tariffs for Cleaning.

The details of changes to Solid Waste tariffs are reflected in Annexure 4.

Proposed tariffs are reflected in the attached Tariffs, fees and charges book (Annexure 6).

Electricity

The Electricity average tariff increase proposed over the 2021/22 MTREF is 13.48%, 13.18% and 13.36%, respectively.

Details of changes to the Electricity tariff are reflected in Annexure 4.

Proposed tariffs are reflected in the attached Tariffs, fees and charges book (Annexure 6).

d. Capital Budget

All projects proposed for inclusion in the 2021/22 capital budget were assessed against implementable delivery plans to comply with, inter alia, implementation readiness, tender readiness (must be on the City's Demand Plan), strategic alignment and capacity to implement.

The total capital budget amounts to R8 315 million in the 2021/22 financial year and will be funded as reflected in the ensuing table.

Table 5 - Capital funding sources for 2021/22

Major Capital Funding Sources	Budget 2021/22
R Thousand	
Capital Grants & Donations (CGD)	3 138 842
Capital Replacement Reserve (CRR)	901 795
External Financing Fund (EFF)	4 187 779
Revenue (Internal funding source)	86 352
Total	8 314 767

Capital Grants and Donations (CGD)

Capital Grants and Donations represent R3 139 million or 37.8% of the 2021/22 capital funding and consists largely of national- and provincial allocations.

For purposes of the 2021/22 budget compilation, national allocations are based on the 2021 DoRb (B3-2021), dated 24 February 2021. Provincial allocations are based on Provincial Gazette 8400, dated 16 March 2021.

Capital Replacement Reserve (CRR)

Funding from the Capital Replacement Reserve represents R902 million or 10.8% of the 2021/22 capital funding.

The City will continue to make CRR funding available in 2021/22 in support of, inter alia, the following priorities:

- Traffic congestion relief programme - R86.8 million;
- Ward allocations - R68.5 million;
- Fleet management - R20 million;
- MyCiTi buses: Refurbishment - R14 million; and
- Electricity generation and distribution equipment, electricity generation and distribution facilities, SCADA master station upgrade and systems, vehicles, street lighting, electrification, LED refurbishment, medium voltage infrastructure refurbishment, meter replacement etc. – R640.8 million.

External Financing Fund (EFF)

The most significant source of funding of the capital budget is the External Financing Fund, which amounts to R4 188 million and represents 49.8% of the total 2021/22 capital funding requirement.

In preparation of the 2021/22 MTREF, directorates were requested to review their capital plans with a view to defer lesser priority items to beyond the MTREF in order to reduce the costs of capital e.g. depreciation and interest in future operating budgets. This was one of the initiatives employed to reduce mounting pressure on the operating budget over the short- to medium term, given the general state of the local- and global economy in the context of the COVID-19 pandemic and recovery from it.

In the face of the current state of the economy, the City will continue to invest substantially in its capital investment programme in order to assist with the recovery of the local economy on a direct/indirect basis. The City reviewed its cash position post tabling of the budget in March 2021 and it is anticipated that the City will take up external loans amounting to R2.5 billion (as opposed to the initially reported R4 billion in March 2021) towards the end of the 2021/22 financial year, while R1.69 billion will be funded from ring-fenced internal resources at an equivalent rate of 6.5% interest for the 2021/22 financial year.

Despite the above, modest additional allocations, strategically aligned to the IDP and flowing from the Strategic Management Framework (SMF) process, were incorporated into the proposed 2021/22 capital budget.

These **specific additional allocations** are mainly within the following directorates:

- **Economic Opportunities & Asset Management**
 - Anti-Fuel Syphoning Devices (R17 million in 2022/23): This is linked as a strategic outcome in the directorate's Fleet Sector Plan, with the aim, as a quick win, to address possible abuse and misuse of fuel and/or the prevention of potential fuel theft within the City and ultimately reducing expenditure on fuel.
- **Safety & Security**
 - Dashboard Cameras (R20 million in 2021/22): These cameras could assist in providing evidence of transgressions occurring within its sight path and have number plate recognition capabilities, which will alert officers to vehicles that have outstanding warrants.
 - CCTV/LPR Cameras - Baden Powell Drive (R5 million in 2021/22): Surveillance to be installed to monitor crime hot spots with a view to reduce the response time of incidences and assist in solving crimes within the area.
 - Radios - Additional FY22 (R600 000 in 2021/22): An estimated 40 radios, with more features to assist in the radio operations i.e. encryption for extra security, to support the directorate's communication processes.
 - Biometric scanners - Additional FY22 (R1 million in 2021/22): Biometric scanners (finger print readers), which can be used to tap into the criminal database in order to confirm any outstanding warrants/cases/charges of an individual.
 - Drones - Additional FY22 (R4 million in 2021/22): Drones to be used for the directorate's policing services as an effective tool for intelligence gathering and decision making e.g. search and rescue operations, general firefighting operations, incidents of crime or traffic congestion where an aerial view will assist with effective and efficient policing.

The City's Portfolio Committees were afforded the opportunity in April 2021 to discuss and make further proposals to the tabled budget. Below is a synopsis of the additional allocation incorporated into the 2021/22 budget as a result of these discussions.

- Additional allocations submitted by the Safety & Security Portfolio Committee resulted in a net increase of R27.5 million, R28.5 million and R26 million in 2021/22, 2022/23 and 2023/24 respectively. This additional allocation is mainly for the replacement of vehicles to ensure core Traffic-, Metro Police-, Law Enforcement- and Fire Services are facilitated with improved efficiencies in mind as well as ensuring safety. The replacement of vehicles is based on a strategy where vehicles identified to be problematic will be replaced in a phased coordinated approach having considered the operational impact of existing vehicles in context with value added benefit derived from the replacement of those vehicles. In addition, the Online Volunteer Application System project has been brought forward from 2023/24 to 2021/22 due to a revised implementation plan.
- Requests for substitutions and additional allocations were submitted by the Energy & Climate Change Portfolio Committee resulting in a net increase of R13.3 million, R234 million and R66 million in 2021/22, 2022/23 and 2023/24 respectively. The network constraints require electrical infrastructure upgrading as a result of the load growth that is projected due a 'large consumer' who made application and paid for these services. A consequential increase in energy demand and sales is anticipated, which will positively contribute to absorbing the operating impact. These additional requests will result in an annual impact of below 0.1% on the electricity revenue parameters contained in the 2021/22 LTFP.

Further details regarding changes to the budget between March and May 2021 are contained in Annexure B of the budget document.

Major capital expenditure is planned for the following directorates in 2021/22:

- Energy & Climate Change - R1 015 million
- Human Settlements - R827 million
- Transport - R2 192 million
- Water & Waste - R3 043 million

Table 6 - Selection of new sundry projects in the 2021/22 capital budget

Directorate	Description	Budget 2021/22 R Thousand
Community Services & Health	Netball World Cup 2022	2 000
	OR Tambo Hall - CCTV Cameras	1 300
Economic Opportunities & Asset Management	Facilities Upgrade Area 1: CHQ Phase 3	3 000
Energy & Climate Change	Upgrade Triangle Main Substation, incl. Triangle Switching Station	7 050
Human Settlements	Maitland Social Housing Development	10 000
	Pine Road Housing Project, Woodstock	10 000
	Salt River Market Housing Project	20 000
Safety & Security	CCTV / LPR Cameras - Baden Powell Drive	5 000
	EPIC 1.1: Computer Aided Dispatch System	13 619
	EPIC 2.1: Contravention System	19 000
	Online Volunteer Application System	2 500
Urban Management	Informal Trade & associated Infrastructure upgrade - Site B	1 700
	Informal Trade & associated Infrastructure upgrade - Site C	1 700
	Mfuleni Hives Rehabilitation	1 000
	Nyanga Urban Node Informal Trade	3 600
	Philippi-East Multi Purpose Centre	6 000
	Upgrade Khayelitsha Training Centre	6 500
	Upgrading of Uitsig business hub	2 500
Water & Waste	Advanced Metering Infrastructure rollout programme	10 000
	Reactive Incident Management System	10 561

Table 7 - Most significant projects/programmes for 2021/22

Description	Budget 2021/22
R Thousand	
Community Services & Health	
Integrated Social Services Facilities	46 000
National Core Standards Compliance Programme	16 000
Park Upgrades	27 735
Sport and Recreation Facilities Upgrade	44 011
Corporate Services	
Broadband Infrastructure Programme	39 585
Public Protection Response Radio Network	78 522
Economic Opportunities & Asset Management	
Fleet Services: Replacement Plant	39 334
Fleet Services: Replacement Vehicles	84 146
Energy & Climate Change	
Electrical Service Connections	93 150
Electrification	38 780
Medium Voltage Switchgear Refurbishment	44 000
Medium Voltage System Infrastructure	77 000
Prepayment Meter Replacements	40 000
Street Lighting	79 465
System Equipment Replacement	209 848
Transmission System Development	49 225
Human Settlements	
Asset Management Programme	57 164
Urbanisation: Backyards/Informal Settlements Upgrade	225 433
Safety & Security	
CCTV & License Plate Recognition Installations	45 885
EPIC Programme	69 193
Spatial Planning & Environment	
Coastal Infrastructure	23 911
Coastal Structures: Rehabilitation	21 100
Upgrade of Nature Reserves Infrastructure	16 448
Transport	
Congestion Relief Projects	86 830
IRT Phase 2 A	1 408 085
Metro Roads: Reconstruction	23 443
Non-Motorised Transport Programme	93 360
Public Transport Interchange Programme	157 944
Roads: Rehabilitation	139 655
Water & Waste	
Bulk Water Infrastructure Replacement	80 000
Cape Flats Rehabilitation	134 410
Development of Additional Water & Sanitation Infrastructure	30 000
Development of Landfill Infrastructure	174 187
Development of Transfer Stations	180 247
New Drop-off Facilities	37 372
New Water Plan	291 619
Replace & Upgrade Sewer Network	75 120
Replace & Upgrade Water Network	76 320
Upgrading of drop-off facilities	35 903
Upgrading of Solid Waste facilities	70 385
Water Meter Replacement Programme	203 500

1.4 Operating Revenue Framework

The City's revenue quantum is determined by setting a package of tariffs that is not only considered affordable to its ratepayers and the users of its services, but deemed to be at fair and at realistic levels when viewed in context of its programmes to assist those who do not have the means to pay.

The City's revenue strategy is built around the following key components:

- National Treasury's guidelines and macro-economic policy;
- Projected City growth and continued economic development;
- Realistic revenue management, which provides for achieving collection rate targets;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Setting of trading services' user charges at levels that are reflective of these services' cost-recovery nature;
- The City's Property Rates policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA); and
- The projected impact of the COVID-19 pandemic on various revenue sources.

The following table is a summary of the 2021/22 MTREF (classified by main revenue source):

Table 8 - Summary of Revenue classified by main revenue sources

Description R thousand	2021/22 Medium Term Revenue & Expenditure Framework		
	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source			
Property rates	10 984 132	11 532 163	12 076 858
Service charges - electricity revenue	15 734 566	17 571 754	19 655 102
Service charges - water revenue	3 556 345	3 848 376	4 104 016
Service charges - sanitation revenue	1 775 113	1 916 842	2 050 805
Service charges - refuse revenue	1 330 442	1 446 405	1 592 219
Rental of facilities and equipment	350 647	365 397	381 856
Interest earned - external investments	855 119	912 415	884 108
Interest earned - outstanding debtors	449 452	471 822	497 547
Dividends received	–	–	–
Fines, penalties and forfeits	1 247 015	1 249 177	1 251 390
Licences and permits	67 110	70 197	73 355
Agency services	261 614	282 544	305 147
Transfers and subsidies	5 650 364	5 774 670	5 357 558
Other revenue	3 194 622	3 324 052	3 342 021
Gains	2 053 058	2 055 448	2 057 893
Total Revenue (excluding capital transfers and contributions)	47 509 600	50 821 261	53 629 876

The following table shows the main revenue sources as a percentage of the total revenue budget:

Table 9 - Revenue by source as a percentage of total budget

Description	2021/22 Medium Term Revenue & Expenditure Framework					
	Budget Year 2021/22	%	Budget Year +1 2022/23	%	Budget Year +2 2023/24	%
R thousand						
Revenue By Source						
Property rates	10 984 132	23.1%	11 532 163	22.7%	12 076 858	22.5%
Service charges - electricity revenue	15 734 566	33.1%	17 571 754	34.6%	19 655 102	36.6%
Service charges - water revenue	3 556 345	7.5%	3 848 376	7.6%	4 104 016	7.7%
Service charges - sanitation revenue	1 775 113	3.7%	1 916 842	3.8%	2 050 805	3.8%
Service charges - refuse revenue	1 330 442	2.8%	1 446 405	2.8%	1 592 219	3.0%
Rental of facilities and equipment	350 647	0.7%	365 397	0.7%	381 856	0.7%
Interest earned - external investments	855 119	1.8%	912 415	1.8%	884 108	1.6%
Interest earned - outstanding debtors	449 452	0.9%	471 822	0.9%	497 547	0.9%
Dividends received	–	–	–	–	–	–
Fines, penalties and forfeits	1 247 015	2.6%	1 249 177	2.5%	1 251 390	2.3%
Licences and permits	67 110	0.1%	70 197	0.1%	73 355	0.1%
Agency services	261 614	0.6%	282 544	0.6%	305 147	0.6%
Transfers and subsidies	5 650 364	11.9%	5 774 670	11.4%	5 357 558	10.0%
Other revenue	3 194 622	6.7%	3 324 052	6.5%	3 342 021	6.2%
Gains	2 053 058	4.3%	2 055 448	4.0%	2 057 893	3.8%
Total Revenue (excluding capital transfers and contributions)	47 509 600	100.0%	50 821 261	100.0%	53 629 876	100.0%
Total Revenue from Rates & Service Charges	33 380 599	70.3%	36 315 540	71.5%	39 479 001	73.6%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations (MBRR), capital transfers and contributions are excluded from the statement of financial performance, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Rates and Service Charges makes up 70.3% of the City's total revenue mix for 2021/22. Services charges – electricity makes up the largest revenue source in 2021/22, totaling R15 735 million (33.1% of total revenue). Property rates is the second largest revenue source totaling R10 984 million (23.1% of total revenue).

Transfers and subsidies (operating grants and transfers) total R5 650 million in 2021/22 (11.9% of total revenue), decreasing to R5 358 million by 2023/24.

Table 10 - Operating Transfers and Grant Receipts (MBRR Table SA18)

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Operating Transfers and Grants: RECEIPTS									
National Government:	4 714 501	5 262 698	3 402 802	4 152 309	4 596 693	4 596 693	4 239 294	4 283 421	4 317 552
Local Government Equitable Share	2 292 908	2 574 650	2 815 558	3 081 195	3 509 590	3 509 590	3 215 174	3 454 804	3 505 487
Finance Management grant	1 050	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Urban Settlements Development Grant	1 318 986	1 484 790	125 233	137 635	366 153	366 153	219 147	129 764	125 603
Energy Efficiency and Demand Side Management Grant	10 000	10 000	640	950	825	825	800	600	–
Dept. of Environ Affairs and Tourism	6 193	4 203	110	11 219	4 658	4 658	220	–	–
Expanded Public Works Programme	14 183	24 266	32 283	43 566	51 208	51 208	49 072	–	–
Integrated City Development Grant	61 263	64 362	2 664	14 904	31 087	31 087	–	–	–
Public Transport Infrastructure & Systems Grant	–	–	31	120 202	44 170	44 170	38 640	38 533	33 500
Infrastructure Skills Development	10 393	13 605	11 000	11 000	9 869	9 869	11 000	11 000	11 000
Public Transport Network Grant	999 525	1 078 522	412 956	608 396	484 193	484 193	489 103	446 346	464 195
Neighbourhood Development Partnership Grant	–	7 300	–	6 900	5 934	5 934	5 000	5 000	5 000
Informal Settlements Upgrading Partnership Grant	–	–	–	45 427	43 139	43 139	76 143	83 509	93 509
National Skills Fund	–	–	–	50 320	25 460	25 460	46 276	27 786	–
National Treasury General Budget Support	–	–	–	19 595	19 408	19 408	16 829	10 125	–
Programme And Project Preparation Support Grant	–	–	–	–	–	–	70 890	74 955	78 259
Peninsula Wetlands Rehabilitation Programme	–	–	1 327	–	–	–	–	–	–
Provincial Government:	1 021 549	1 026 034	1 139 740	1 421 609	1 527 659	1 527 659	1 371 012	1 482 348	1 033 253
Cultural Affairs and Sport - Provincial Library Services	53 299	48 947	44 455	49 192	50 729	50 729	43 116	48 532	49 357
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	4 500	4 770	5 150	5 338	5 374	5 374	5 338	5 429	5 521
Human Settlements - Human Settlement Development Grant	405 755	350 755	313 280	266 999	357 627	357 627	262 554	288 285	244 658
Human Settlements - Municipal Accreditation Assistance	5 000	5 000	–	–	–	–	–	–	–
Human Settlement - Settlement Assistance	1 500	1 500	1 500	–	1 102	1 102	–	–	–
Health - TB	26 793	29 233	29 682	81 085	32 138	32 138	87 317	105 645	99 712
Health - ARV	207 677	251 120	263 243	273 756	278 156	278 156	300 230	310 159	310 169
Health - Nutrition	5 429	4 790	5 465	6 548	6 548	6 548	6 664	7 012	6 900
Health - Vaccines	90 264	93 766	120 142	91 661	112 115	112 115	91 661	91 661	91 661
Comprehensive Health	160 593	182 857	195 044	173 489	201 982	201 982	173 489	173 489	173 489
LEAP	–	–	110 961	417 000	431 029	431 029	350 000	400 000	–
Transport and Public Works - Provision for persons with special needs	10 000	10 000	10 000	10 000	10 102	10 102	10 000	10 000	10 000
Economic Development and Tourism: Public Access Centres TSLE	–	–	–	12 689	3 590	3 590	5 480	6 000	6 000
Community Safety - Law Enforcement Auxiliary Services	30 734	3 938	4 153	4 388	4 917	4 917	4 629	4 852	5 070
Community Safety - Prov Docs Mon Centre Deployment	–	345	–	–	–	–	–	–	–
Community Development Workers	1 036	–	2 034	1 034	2 618	2 618	1 001	1 001	1 001
Finance Management Capacity Building Grant	240	360	380	400	300	300	250	–	–
Provincial Government: Financial Management Support Grant	230	230	230	–	–	–	–	–	–
Provincial Contribution towards addressing Natural Disasters	2 500	–	–	–	–	–	–	–	–
Transport Safety and Compliance - Rail Safety	16 000	3 666	17 000	18 000	14 000	14 000	19 000	20 000	20 000
Aerial support fire suppression	–	–	–	–	–	–	–	–	–
Establishment and Support K9 unit	–	3 000	2 300	2 530	3 207	3 207	2 783	2 783	2 215
Accreditation - Support - NHP	–	–	–	–	–	–	–	–	–
Human Settlements - Title deeds restoration	–	26 757	–	–	–	–	–	–	–
Municipal accreditation and capacity building grant	–	5 000	14 721	7 500	10 325	10 325	7 500	7 500	7 500
Human Settlements- Eradication of registration backlog	–	–	–	–	1 800	1 800	–	–	–

Table continues on next page

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Other grant providers:	17 473	23 827	6 431	34 805	10 409	10 409	36 625	5 310	3 000
Tourism	–	–	–	–	95	95	–	–	–
CMTF	–	–	–	–	–	–	15 400	3 000	3 000
CID	4 844	5 309	3 909	3 586	5 272	5 272	2 052	–	–
Century City	621	–	–	–	618	618	618	–	–
Chieta Learnership Programme	108	–	–	–	–	–	–	–	–
Dutch Government Orio Project	4 195	–	–	–	–	–	–	–	–
Mayoress Charity Fund	161	11	2	–	–	–	–	–	–
Westcott Primary School - Traffic Attendant	47	–	43	–	50	50	43	–	–
Airports Company South Africa SOC Ltd	333	–	–	–	–	–	–	–	–
Rockefeller Philanthropy Advisor's Inc	1 420	710	710	–	–	–	–	–	–
V & A Traffic Officer	880	–	891	–	949	949	–	–	–
The South African Breweries	4 040	–	–	–	–	–	–	–	–
Bayside - Acucap Investments	615	360	315	–	–	–	–	–	–
Disaster Management Fund	–	34	–	–	–	–	–	–	–
Big Bay	209	–	–	–	–	–	–	–	–
University of Connecticut	–	–	–	–	71	71	–	–	–
Prasa	–	16 000	–	–	–	–	–	–	–
Marine Circle Rent-A-Cop	–	124	–	–	–	–	–	–	–
Munich Project - SBLE & Cycling	–	731	–	–	–	–	–	–	–
Grand China	–	95	250	–	–	–	–	–	–
Rustenberg Junior Girls School - Traffic Attendant	–	–	43	–	50	50	43	–	–
CCID - Traffic Wardens	–	–	225	–	958	958	–	–	–
Green Point Law Enforcement	–	453	–	–	–	–	–	–	–
Bergvliet High Part-time Trfc Attendant	–	–	43	50	–	–	–	–	–
PopART - Stellenbosch University	–	–	–	–	–	–	–	–	–
Integrated Public Transport Network	–	–	–	15 400	1 500	1 500	–	–	–
PTI-Precincts	–	–	–	–	–	–	–	–	–
KFW- Technical Assistance (GDB)	–	–	–	15 000	–	–	15 000	–	–
Orio	–	–	–	770	770	770	3 421	2 310	–
Forres Prep School	–	–	–	–	24	24	19	–	–
The Cape Academy for MST	–	–	–	–	54	54	29	–	–
Total Operating Transfers and Grants	5 753 523	6 312 559	4 548 973	5 608 724	6 134 761	6 134 761	5 646 931	5 771 079	5 353 805

1.4.1 Property (Tax) Rates (refer Annexure 2)

Property rates are levied in accordance with City policies, the MPRA, MPRA Regulations, and the MFMA.

In terms of the amendments to the Property Rates Act, the City is required to:

- Institute new rating categories;
- Align its rebates, reductions and exemptions to the amended legislation; and
- Implement the amendments of the MPRA and new categories simultaneously with a new General Valuation which came into effect on 1 July 2019.

The City has 21 property categories in total.

The rate-in-the-rand for Property Rates for the 2021/22 financial year is set out in Annexure 2.

The definitions and listing of categories are reflected in the Rates Policy attached as Annexure 5.

The proposed rates tariffs are shown in the Tariffs, Fees and Charges Book attached as Annexure 6.

1.4.2 Water and Sanitation and Impact of Tariff Increases (refer Annexure 4)

The drought had a permanent impact on the overall consumption levels as well as consumption in the high usage steps used for cross-subsidisation. To stabilise the tariff structure, changes were already approved during the 2018/19 budget cycle to ensure that the cost of delivering the service was recovered to protect the sustainability of the service.

During the 2019/20 budget cycle, the City also effected the change from the 7 levels of reduction tariffs to 5 new levels of tariffs in line with the new water strategy.

Level Water wise (no restriction) water and sanitation tariffs are recommended for implementation from 1 July 2021. A 5% tariff increase is proposed on Level Water wise (no restriction) tariffs and this increase is also applicable for the proposed 2021/22 increases for level 1, level 2, level 3 and level emergency tariffs.

The proposed consumption-based, as well as miscellaneous tariffs, are reflected in Tariffs, Fees and Charges Book attached as Annexure 6.

The ensuing tables show the proposed tariffs for water and sanitation over the 2021/22 MTREF.

Table 11 - Proposed water tariffs: Non-indigent

Category	Proposed Tariff 2021/22 Level 0	Proposed Tariff 2021/22 Level 1	Proposed Tariff 2021/22 Level 2	Proposed Tariff 2021/22 Level 3	Proposed Tariff 2021/22 Emergency
	Rand per Kl (excl. VAT)				
DOMESTIC Full					
Fixed basic Charge (Assume meter size = 15mm)	61.45	61.45	61.45	61.45	61.45
Step 1 (0 ≤ 6kl)	15.86	16.36	17.22	20.66	25.35
Step 2 (>6 ≤ 10.5kl)	21.79	23.27	27.45	33.26	41.18
Step 3 (>10.5 ≤ 35kl)	29.61	33.05	41.50	50.45	62.66
Step 4 (>35kl)	54.65	72.55	103.23	208.20	358.80
DOMESTIC Cluster					
Fixed basic Charge (Assume meter size = 40mm)	438.90	438.90	438.90	438.90	438.90
Step 1 (0 ≤ 6kl)	15.86	16.36	17.22	20.66	25.35
Step 2 (>6 ≤ 10.5kl)	21.79	23.27	27.45	33.26	41.18
Step 3 (>10.5 ≤ 35kl)	29.61	33.05	41.50	50.45	62.66
Step 4 (>35kl)	54.65	72.55	103.23	208.20	358.80
COMMERCIAL (assumed meter size = 50mm)	685.78	685.78	685.78	685.78	685.78
COMMERCIAL	28.39	29.97	35.13	39.35	44.86
INDUSTRIAL (assumed meter size = 100mm)	2 743.13	2 743.13	2 743.13	2 743.13	2 743.13
INDUSTRIAL	28.39	29.97	35.13	39.35	44.86

Table 12 - Proposed sanitation tariffs: Non-indigent

Table 12 – Proposed sanitation tariffs: Non-indigent

Category	Proposed Tariff 2021/22 Level 0	Proposed Tariff 2021/22 Level 1	Proposed Tariff 2021/22 Level 2	Proposed Tariff 2021/22 Level 3	Proposed Tariff 2021/22 Emergency
	Rand per Kl (excl. VAT)				
DOMESTIC Full - Standard					
Step 1 (0 ≤ 4,2 kl)	13.94	14.37	15.14	17.58	20.24
Step 2 (>4.2 ≤ 7.35 kl)	19.15	20.45	24.12	29.63	36.18
Step 3 (>7.35 ≤ 24.5kl)	26.89	30.60	38.92	46.01	54.00
Step 4 (>24.5 ≤ 35kl)	42.30	55.07	81.44	103.00	129.28
DOMESTIC Cluster					
Step 1 (0 ≤ 4.2kl)	13.94	14.37	15.14	17.58	20.24
Step 2 (>4.2 ≤ 7.35 kl)	19.15	20.45	24.12	29.63	36.18
Step 3 (>7.35 ≤ 24.5kl)	26.89	30.60	38.92	46.01	54.00
Step 4 (>24.5 ≤ 35kl)	42.30	55.07	81.44	103.00	129.28
COMMERCIAL	25.51	26.93	29.56	32.97	36.23
INDUSTRIAL	25.51	26.93	29.56	32.97	36.23

The following two tables show the proposed water- and sanitation tariffs for a single dwelling house.

Table 13 - Proposed water tariff (domestic consumption): Non-indigent

Monthly Consumption kl	Proposed amount payable 2021/22 (No Restriction) R (excl VAT)	Proposed amount payable 2021/22 (Level 1) R (excl VAT)	Proposed amount payable 2021/22 (Level 2) R (excl VAT)	Proposed amount payable 2021/22 (Level 3) R (excl VAT)	Proposed amount payable 2021/22 (Emergency) R (excl VAT)
Fixed basic charge *	61.45	61.45	61.45	61.45	61.45
6	157.10	160.18	165.61	186.45	214.85
10.5	256.28	266.30	291.16	338.59	403.25
20	537.57	580.27	685.41	817.86	998.52
35	993.73	1 094.96	1 337.50	1 650.25	2 080.41
50	1 813.48	2 183.21	2 885.95	4 773.25	7 462.41
80	3 452.98	4 359.71	5 982.85	11 019.25	18 226.41

* Assume meter size=15mm

Table 14 - Proposed sanitation tariff (domestic consumption): Non-indigent

Monthly Consumption kl	Proposed amount payable 2021/22 (No Restriction) R (excl VAT)	Proposed amount payable 2021/22 (Level 1) R (excl VAT)	Proposed amount payable 2021/22 (Level 2) R (excl VAT)	Proposed amount payable 2021/22 (Level 3) R (excl VAT)	Proposed amount payable 2021/22 (Emergency) R (excl VAT)
4.2	58.82	60.70	64.10	74.53	85.93
7.35	119.95	126.14	141.57	169.51	201.69
14	298.77	329.63	400.39	475.48	560.79
24.5	586.28	659.15	823.32	977.71	1 153.05
35	1 010.15	1 210.98	1 639.39	2 009.83	2 448.51

1.4.3 Solid Waste Management and impact of Tariff Increases (refer Annexure 4)

Solid Waste Tariffs are levied to recover costs of services provided directly to customers and include refuse collection fees, disposal fees, compost sales, weighbridge fees and other ad hoc services.

Average increases of 3.5% and 4.41% has been applied on the consumptive tariffs for Collections and Disposal respectively. An average increase of 3.10% has been applied on the miscellaneous tariffs for Cleaning.

The proposed tariffs are shown in the Tariffs, Fees and Charges Book attached as Annexure 6.

Table 15 - Comparison between current waste removal fees and increases

SERVICES RENDERED	UNIT	REMARKS To be read in conjunction with Definitions (refer annexures)	VAT Yes/No	Current 2020/21 R excl. VAT	Proposed 2021/22 R excl. VAT	Increase R excl. VAT	Percentage change
Black lid 240L container service (R/blacklid) - Residential properties							
Basic container service: Residential collection based on a once-per week 240L service per household/service point in suburbs containerised.	Per month	Account to property owner. Basic container service (weekly service is 1x 240L Black lid container per week).	y	137.22	142.00	4.78	3.48%
Additional once-per-week 240L service (Black lid 240L)	Per additional 240 L container per month	Enhanced service level. (Additional service of 240L Black lid container(s) serviced on the same day as the normal weekly service. Per fixed agreement - not variable).	y	137.22	142.00	4.78	3.48%
Three times per week for cluster	per month	Account to property owner. Basic container service (weekly service is 3x 240L Black lid container per week).	y	411.57	426.00	14.43	3.51%
Black lid 240L container service (R/blacklid) - Non-Residential properties							
240L container (1 per week)	Per month	Account to property owner. Container service delivered to non-residential areas (Weekly service is 1x 240L Black lid container per week.).	y	163.91	169.65	5.74	3.50%
240L container (3 per week)	Per month	Account to property owner. Container service thrice per week.	y	491.48	508.70	17.22	3.50%
240L container (5 per week)	Per month	Account to property owner. Container service five times per week.	y	819.39	848.09	28.70	3.50%
Refuse Availability - Vacant land							
Availability charge on vacant land	Per month	All vacant erven subjected to Availability Charge	y	81.30	84.17	2.87	3.53%
Disposal Services							
General Waste	Per metric ton or part thereof	Applicable to all disposal sites, transfer stations and compost plants	y	533.13	556.61	23.48	4.40%
Special/Hazardous waste	Per metric ton or part thereof	As determined by the site weighbridge. Applicable for disposal at Vissershok landfill only. Subject to prior permitting.	y	706.61	737.74	31.13	4.41%
Builders Rubble	Per metric ton or part thereof	Applicable to all Landfill Sites	y	22.09	23.04	0.95	4.30%

1.4.4 Sale of Electricity and Impact of Tariff Increases (refer Annexure 4)

The proposed revisions to the tariffs have been formulated in accordance with the City's Tariff and Rates Policy and comply with Section 74 of the Local Government Municipal Systems Act (MSA).

In terms of section 75A of the MSA any fees, charges or tariffs which a municipality may wish to levy and recover in respect of any function or service of the municipality, must be approved by a resolution passed by the municipal council with a supporting vote of a majority of its members.

The Electricity Regulation Act requires that proposed revisions to the electricity consumption based tariffs be submitted to the Regulator for approval prior to implementation. Provisional approval will therefore be requested with the express proviso that any alterations required by Council will be submitted to the Regulator as soon as possible.

The Tariff Fees and Charges Book (Annexure 6) includes a note indicating that the tariffs are applied in accordance with the terms and conditions as contained in the Electricity Tariff Policy.

On 5 March 2021, NERSA approved a tariff increase to direct Eskom customers of 15.06%. This then equates to a 17.8% increase to municipalities. On 12 March 2021, NERSA issued a Consultation Paper on Guideline Increases for regulated tariffs. This Consultation Document contained an overall revenue requirement increase of 14.59% as a Guideline for Municipal increases. A municipal guideline increase of 14.59% was approved by NERSA according to the Guideline on municipal electricity price increases for 2021/22 dated 15 May 2021.

MFMA Circular No. 108 expects increases to Eskom municipal tariffs to be between 16% and 20%. Municipalities are expected to mitigate this negative impact of the increase by improving efficiencies on both revenue collections and the spending side. Both of these initiatives have been considered and adjustments made accordingly.

The above items as well as amendments to the Support Services Recharges and other internal City-determined costs result in the Electricity Generation & Distribution department requiring a revenue increase from Sale of Electricity of 13.4% in order to meet the budgeted operating expenditure and, when coupled to the expected sales growth of 0%, results in a tariff increase requirement of an average of 13.48%. CPI is set by the City at 3.1% for the coming year.

These increases are in line with the guidelines established in the Medium Term Revenue and Expenditure Framework.

Current electricity tariffs were approved by Council on 27 May 2020 and by NERSA on 9 July 2020, and in the case of the Small-scale Embedded Generation tariffs on 14 August 2020, effective from 1 July 2020.

The proposed tariffs are presented in the Tariffs, Fees and Charges Book (Annexure 6).

Table 16 - Comparison between current and proposed electricity charges (domestic consumption)

Category	Unit	Steps	VAT yes/no	Current 2020/21 c/kWh (excl VAT)	Proposed 2021/22 c/kWh (excl VAT)	Difference (Increase)	Percentage change
Lifeline INCLUDING the FBE portion	Energy Charge (c/kWh)	0-350kWh	y	125.89	142.86	16.97	13.48%
		350.1+ kWh	y	253.83	288.05	34.22	13.48%
Domestic	Energy Charge (c/kWh)	0-600kWh	y	208.75	236.89	28.14	13.48%
		600.1+ kWh	y	253.83	288.05	34.22	13.48%
Home User	Service Charge	Per Month	y	148.88	168.95	20.07	13.48%
	Energy Charge (c/kWh)	0-600kWh	y	183.93	208.73	24.80	13.48%
		600.1+ kWh	y	253.83	288.05	34.22	13.48%

1.4.5 Overall impact of tariff increases on households

The following table shows the overall expected impact of tariff increases on households with a 'middle income range', an 'affordable range' and an 'indigent household receiving free basic services'.

Table 17 - Impact of tariff increases on households (MBRR Table SA14)

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22 % incr.	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	279.88	298.08	185.00	192.33	192.33	192.33	4.5%	201.00	214.09	226.93
Electricity: Basic levy	–	–	–	–	–	–	–	–	–	–
Electricity: Consumption	1 837.32	1 986.90	2 163.34	2 607.96	2 607.96	2 607.96	13.5%	2 959.56	3 359.10	3 862.97
Water: Basic levy	–	–	56.00	58.52	58.52	58.52	5.0%	61.45	65.14	69.05
Water: Consumption	4 278.50	11 315.59	1 170.05	808.81	808.81	808.81	(4.5%)	772.22	818.55	867.67
Sanitation	1 524.25	1 598.01	650.53	518.07	518.07	518.07	(6.0%)	487.00	516.22	547.19
Refuse removal	119.47	126.32	132.61	157.80	157.80	157.80	3.5%	163.32	173.12	183.51
Other	–	–	–	–	–	–	–	–	–	–
sub-total	8 039.42	15 324.90	4 357.53	4 343.49	4 343.49	4 343.49	6.9%	4 644.55	5 146.22	5 757.31
VAT on Services	709.56	1 340.68	625.88	622.67	622.67	622.67	–	666.53	739.82	829.56
Total large household bill:	8 748.98	16 665.58	4 983.41	4 966.16	4 966.16	4 966.16	6.9%	5 311.08	5 886.04	6 586.87
% increase/-decrease		90.5%	(70.1%)	(0.3%)	–			6.9%	10.8%	11.9%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	167.93	178.85	92.50	96.17	96.17	96.17	4.5%	100.50	107.04	113.46
Electricity: Basic levy	–	–	–	–	–	–	–	–	–	–
Electricity: Consumption	845.60	914.45	995.65	1 200.30	1 200.30	1 200.30	13.5%	1 362.10	1 545.98	1 777.88
Water: Basic levy	–	–	–	58.52	58.52	58.52	5.0%	61.45	65.14	69.05
Water: Consumption	2 778.50	6 315.59	839.45	651.44	651.44	651.44	(4.2%)	624.17	661.62	701.32
Sanitation	1 156.75	1 219.76	474.87	416.04	416.04	416.04	(5.6%)	392.89	416.46	441.45
Refuse removal	119.47	126.32	99.39	118.30	118.30	118.30	3.5%	122.42	129.77	137.55
Other	–	–	–	–	–	–	–	–	–	–
sub-total	5 068.25	8 754.97	2 501.86	2 540.77	2 540.77	2 540.77	4.8%	2 663.53	2 926.01	3 240.71
VAT on Services	709.56	1 340.68	361.40	366.69	366.69	366.69	–	384.45	422.85	469.09
Total small household bill:	5 777.81	10 095.65	2 863.26	2 907.46	2 907.46	2 907.46	4.8%	3 047.98	3 348.85	3 709.79
% increase/-decrease		74.7%	(71.6%)	1.5%	–			4.8%	9.9%	10.8%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	55.98	59.62	–	–	–	–	–	–	–	–
Electricity: Basic levy	–	–	–	–	–	–	–	–	–	–
Electricity: Consumption	306.00	386.05	420.32	419.83	419.83	419.83	13.5%	476.44	540.76	621.87
Water: Basic levy	–	–	–	–	–	–	–	–	–	–
Water: Consumption	1 014.50	1 154.59	289.15	303.49	303.49	303.49	–	–	–	–
Sanitation	613.29	718.66	185.47	196.79	196.79	196.79	–	–	–	–
Refuse removal	59.74	63.16	66.35	–	–	–	–	–	–	–
sub-total	2 049.51	2 382.08	961.29	920.11	920.11	920.11	(48.2%)	476.44	540.76	621.87
VAT on Services	709.56	1 340.68	144.19	138.02	138.02	138.02	–	71.47	81.11	93.28
Total small household bill:	2 759.07	3 722.76	1 105.48	1 058.13	1 058.13	1 058.13	(48.2%)	547.91	621.87	715.15
% increase/-decrease		34.9%	(70.3%)	(4.3%)	–			(48.2%)	13.5%	15.0%

1.5 Operating Expenditure Framework

The City's expenditure for the 2021/22 budget and MTREF is informed by the Long Term Financial Plan (LTFP) theme of getting to a realistic, deliverable MTREF within a revenue envelope which is credible and affordable to its ratepayers, consumptive users and stakeholders. This strategy is discussed in detail in the *Overview of budget assumptions applied to the 2021/22 MTREF* section on page 83.

A differentiated budgeting approach, principles of cost containment, elimination of wasteful expenditure and reprioritisation of spending were some of the technical imperatives when preparing the MTREF, in light of the impact of the COVID-19 pandemic.

The following table is a high level summary of the operating expenditure (classified by main type) over the MTREF:

Table 18 - Summary of operating expenditure by main type

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure By Type									
Employee related costs	10 865 323	12 334 289	12 775 413	15 203 365	14 875 438	14 875 008	15 612 510	16 233 454	16 703 945
Remuneration of councillors	154 923	161 297	167 521	189 675	189 675	189 675	179 826	187 739	196 375
Debt impairment	1 360 558	1 582 947	2 804 042	3 640 353	3 210 936	3 210 936	2 716 859	2 785 991	2 662 635
Depreciation & asset impairment	2 578 561	2 832 012	2 921 723	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630
Finance charges	781 948	755 724	814 407	828 460	851 450	851 450	794 747	1 283 592	1 498 858
Bulk purchases - electricity	7 870 527	8 281 772	9 317 868	9 585 215	9 585 215	9 585 215	11 182 400	12 669 659	14 354 724
Inventory consumed	1 333 399	1 565 496	1 703 335	2 004 792	1 976 635	1 780 753	3 703 850	3 747 655	3 748 963
Contracted services	5 432 869	5 996 310	6 710 842	7 215 975	7 690 470	7 698 490	7 960 363	7 586 651	7 861 893
Transfers and subsidies	418 599	391 968	453 464	498 081	556 482	556 482	464 263	404 613	362 078
Other expenditure	2 016 470	1 990 134	2 210 367	2 362 108	2 520 290	2 708 568	2 632 043	2 908 664	3 101 478
Losses	88 098	187 081	84 988	2 002	2 153	2 166	14 124	14 222	14 322
Total Expenditure	32 901 274	36 079 030	39 963 970	44 830 093	44 309 610	44 309 610	48 274 839	50 887 910	53 683 901

- In the absence of an existing Salary and Wage Collective Agreement for the 2021/22 MTREF, and considering the City's available resources and medium term financial positions, a 0% (zero percent) cost of living salary and wage increase is provided for all staff posts in the 2021/22 financial year. The year-on-year increase of 2.69% as reflected in the above table is attributable to the proposed additional posts for service enhancements allotted to various directorates during the Strategic Management Framework (SMF) process, which include, inter alia, additional law enforcement officers for the Law Enforcement Advancement Project (LEAP) that are partially grant funded, allocations to address capacity gaps relating to the Core Application Review (CAR) and the Broadband Implementation Project (BIP), and a 2% notch increment for T-grades 13 and lower. It is important to note that, in addition, all City vacancies were reviewed and reprioritised to reduce the wage bill. Details of these interventions are provided within relevant sections of this document.
- Considering the City's available resources as well as its financial position, there were no increases (zero percent) implemented for councillor remuneration for the 2021/22 financial year. In addition, a reduction on ad hoc travelling allowance was implemented based on past and current expenditure trends.

- Provision for debt impairment equates to R2 717 million in 2021/22 and reduces to R2 663 million in 2023/24 based on projected collection rates as well as the City's Credit Control and Debt Collection policy.
- Budgeted appropriations for Depreciation & Asset Impairment, which is linked to the capitalisation rate of assets, totals R3 014 million for 2021/22. The calculation of depreciation on new capital expenditure is based on variables such as asset class and the lifespan of the asset depending on its nature. Depreciation of existing assets is calculated based on simulated SAP (financial system) data, which reflects actual values per annum. Assets Under Construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.
- Finance Charges consist primarily of the repayment of interest (cost of capital) on long-term borrowing. It equates to 1.7% (R795 million) of the 2021/22 operating expenditure (excluding redemption costs) and increases to R1 499 million in 2023/24. The increase over the 2021/22 MTREF is informed by existing- and new loans that will be taken up to fund the City's capital programme and the projected interest loan service charges over this period.
- Budgetary provision for Bulk Purchases - Electricity is influenced by the purchase of electricity from Eskom, which is informed by consumer behaviour. In this regard, annual price increases have been factored into the budget appropriations, which in turn impacts on the tariff requirements for these tariff-based services.
- Inventory Consumed caters for sundry items such as the bulk water, fuel, materials for maintenance, cleaning materials and chemicals. This category is projected at R3 704 million in 2021/22 increasing to R3 749 million by 2023/24.
- The Contracted Services expenditure component includes provisions for repairs and maintenance and additional allocations for service delivery enhancements. Expenditure levels are projected at R7 960 million in 2021/22 decreasing to R7 862 million in 2023/24.
- Other expenditure of R2 632 million, includes provision for, inter alia:
 - Special Rating Areas (MIDs/CIDs) – R285 million
 - Collection costs – R213 million
 - Electricity costs – R177 million
 - Software licenses and upgrades – R180 million
 - Specialised information technology – R229 million
 - Insurance – R157 million
 - Uniform and protective clothing – R119 million
 - Levy: Skills Development – R117 million
 - Software licences: Upgrade/Protection – R181 million
 - Bulk Water: Levy (Berg Water project) – R135 million
 - Indigent Relief: Electricity (Eskom) – R122 million

Figure 1 below gives a breakdown of the main expenditure categories for 2021/22.

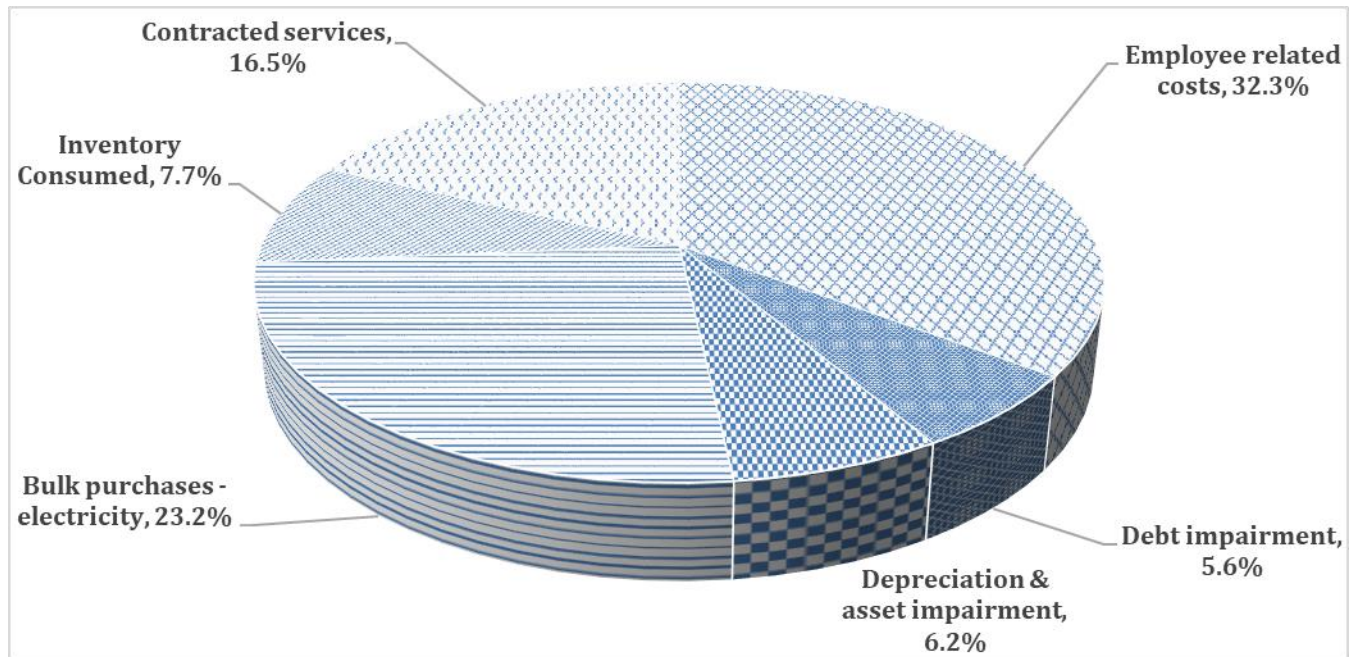


Figure 1 Main operational expenditure categories for the 2021/22 financial year

1.5.1 Priority given to Repairs & Maintenance

The City acknowledges its obligation to optimally preserve its extensive asset base and recognises current inherent backlogs in this regard. Repairs and maintenance growth is based on the previous year's actual expenditure, service delivery needs and efficiencies identified.

Inflation growth was applied to the following directorates/departments:

- Fleet & Facilities Management department (Economic Opportunities & Asset Management);
- Water & Waste;
- Transport;
- Urban Management;
- Corporate Services;
- Energy & Climate Change; and
- Parks, Libraries & Recreation department (Community Services & Health).

Zero growth was applied to the rest of the directorates/departments.

In terms of the MBRR, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of other expenditure i.e. remuneration, purchases of materials and contracted services. Considering these cost drivers, the ensuing table is a consolidation of the total expenditure associated with repairs and maintenance.

Table 19 - Operational repairs and maintenance

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Repairs and Maintenance by Expenditure Item									
Employee related costs	1 229 788	1 119 643	943 436	1 690 469	1 031 902	1 031 902	1 134 510	1 184 423	1 236 357
Inventory Consumed (Project Maintenance)	329 644	343 692	293 292	402 391	371 891	373 803	393 347	410 346	427 741
Contracted Services	2 075 310	2 160 455	2 345 094	2 334 040	2 510 252	2 511 748	2 564 721	2 661 169	2 772 370
Other Expenditure	175 323	156 604	126 452	148 498	160 394	158 575	160 307	165 458	171 325
Total Repairs and Maintenance Expenditure	3 810 065	3 780 395	3 708 274	4 575 398	4 074 439	4 076 028	4 252 885	4 421 396	4 607 792

The repairs and maintenance allocation for 2021/22 is R4 253 million. The nominal allocations reflect the differentiated approach to repairs and maintenance of different line functions, as outlined above.

In addition, these allocations provide for the full cost absorption method applied to calculate labour unit price, and the increases in activity prices based on the total cost of employment (TCOE) of direct labour workers.

1.5.2 Free Basic Services: Basic Social Services Package

The City provides free basic services (electricity, refuse removal, water, sanitation and rates) to residential properties via three methods, namely:

- Blanket approach: Based on the municipal value of the property; or
- Targeted approach: On application by those with limited income whose property values exceed set valuation levels; or
- Based on consumer behaviour i.e. usage.

a) Blanket Approach: Municipal value of the property

The utilisation of the blanket approach prevents the need to deal with the almost 200 000 applications that would qualify if all had to apply on a periodic basis.

The challenge with this approach is that it applies to households irrespective of their ability to pay. However, the cost of providing the service using this method outweighs the benefit of not providing the free services. The benefit of the blanket approach is that it provides certainty and reduces the risks of fraud.

Varying percentage rebates for refuse removal based on property values for properties between R1 and R500 000 are applied as follows:

Property Value	Rebate %
R1 to R300 000	100%
R300 001 – R350 000	50%
R350 001 – R500 000	25%

b) Targeted Approach: Household income based

This method allows any resident who is required to pay for municipal services and whose gross monthly household income is R4 500 or below to register as indigent in order to receive the same benefits as if their property values were equal to or below R300 000. The number of indigent registered at the end of April 2021 was 8 400. This number varies on a monthly basis as registration is valid for 12 months after which re-application is required.

In addition, the City also offers varying rebates for residents of household income of up to R7 500 (previously R7 000). For the 2021/22 financial year this limit as well as the percentage rebate is being amended to be in line with the Rates Policy. Property rates- and refuse rebates are granted to residents based on their gross monthly household income as follows:

<i>Current year rebate</i>		<i>2021/22 Proposed rebate</i>	
<i>Income bracket</i>	<i>Rebate %</i>	<i>Income bracket</i>	<i>Rebate %</i>
<i>R4 501 – R5 500</i>	<i>75%</i>	<i>R4 501 – R6 000</i>	<i>95%</i>
<i>R5 501 – R6 500</i>	<i>50%</i>	<i>R 6 001 – R7 500</i>	<i>90%</i>
<i>R6 501 – R7 000</i>	<i>25%</i>		

The number of beneficiaries for the current year rebate (i.e. up to income bracket R7 000) at the end of April 2021 was 74. This number is expected to increase as a result of the increased household limit from R7 000 to R7 500 as well as the increased proposed rebates.

Senior citizen and disabled persons' rates rebates are granted to qualifying applicants where the gross monthly household income is below R17 500. For household income up to R4 500, the rates rebate is 100%, reducing gradually to 10% for income between R16 501 and R17 500.

c) Electricity – Based on consumer behaviour

Electricity lifeline tariff customers consuming less than 250kWh per month will receive a free basic supply of 60kWh, while those consuming between 250kWh and 450kWh per month will receive a free basic supply of 25kWh per month.

Assistance to the households mentioned based on modelling the impact of the tariffs and policies on all residential properties and are regulated by Council's budget-related policies, which are reviewed annually. All free basic services are provided for in the City's balanced operating budget.

The costs for the indigent support on charges for refuse removal, water and sanitation, property rates and free electricity are partially financed by National Government through the local government Equitable Share received in terms of the annual DoRA. The City, however, supplements this expenditure from property rates and tariffs revenue.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 31 on page 59.

1.6 Capital Expenditure

Table 20 - Capital budget per vote over the 2021/22 MTREF

Vote Description R thousand	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year +1 2022/23	%	Budget Year +2 2023/24	%
Vote 1 - Community Services & Health	327 256	4.4%	299 732	3.6%	234 255	2.6%	149 803	1.3%
Vote 2 - Corporate Services	225 143	3.1%	248 768	3.0%	398 624	4.4%	562 244	4.9%
Vote 3 - Economic Opportunities & Asset Managemnt	359 072	4.9%	215 801	2.6%	305 809	3.4%	418 516	3.6%
Vote 4 - Energy & Climate Change	852 722	11.6%	1 014 657	12.2%	1 162 227	12.8%	1 486 852	13.0%
Vote 5 - Finance	274 033	3.7%	25 515	0.3%	90 315	1.0%	16 650	0.1%
Vote 6 - Human Settlements	781 009	10.6%	827 201	9.9%	1 008 878	11.1%	1 056 944	9.2%
Vote 7 - Office of the City Manager	1 585	0.0%	1 103	0.0%	705	0.0%	705	0.0%
Vote 8 - Safety & Security	385 688	5.2%	258 298	3.1%	187 842	2.1%	218 646	1.9%
Vote 9 - Spatial Planning & Environment	133 448	1.8%	141 722	1.7%	221 453	2.4%	263 653	2.3%
Vote 10 - Transport	917 980	12.4%	2 191 855	26.4%	2 076 400	22.8%	1 798 343	15.7%
Vote 11 - Urban Management	66 978	0.9%	46 729	0.6%	86 577	1.0%	92 577	0.8%
Vote 12 - Water & Waste	3 050 982	41.4%	3 043 384	36.6%	3 337 462	36.6%	5 411 185	47.2%
Total Capital Expenditure - Vote	7 375 897	100%	8 314 767	100%	9 110 548	100%	11 476 119	100%

The capital budget increases from R7 376 million in 2020/21 (April 2021 adjustments budget) to R8 315 million in 2021/22, which is an overall increase of 12.7% when measured against the latest 2020/21 budgetary provision.

The above table clearly indicates that expenditure emphasis is still on those votes (directorates) responsible for infrastructure development e.g. Water & Waste, Transport, Energy & Climate Change and Human Settlements. The 2021/22 allocation to these votes represents just over R7 077 million or 85.18% of the total budgetary allocation for 2021/22. Water & Waste receives the largest allocation of R3 043 million in 2021/22, which represents 36.6% of the budget. The second highest allocation amounting to R2 192 million (26.4%) is made to Transport followed by Energy & Climate Change at R1 015 million (12.2%) and Human Settlements at R827 million (9.9%).

The majority of allocations are made to infrastructure development in the outer years i.e. R7 585 million (83.3%) in 2022/23 and R9 753 million (85.1%) in 2023/24.

National Treasury, in its MFMA circulars, recommends that a minimum of 40% of a municipality's capital budget should be for renewal of existing assets as opposed to new infrastructure. In the 2021/22 capital budget, the renewal of existing assets equates to R1 927 million (23.2%), upgrading of existing assets represents R2 149 million (25.8%) and new assets represents R4 239 million (51%). It is important to note that existing assets may be renewed or upgraded, while new assets will result in an increase in the asset base of the City.

Additional details regarding asset classes and proposed capital expenditure is contained in Table 30 on page 55.

MBRR Table A9, Table SA34a, Table SA34b and Table SA34e provides the detailed breakdown of the capital budget with regards to new asset construction, capital asset renewal and upgrading.

A detailed breakdown of the capital budget per project/programme over the medium term is available in Annexure 24.

Details of all capital programmes included in Annexure 1 (Multi-year capital appropriations by vote) are reflected in Annexure 25.

Major projects/programmes to be implemented over the medium term

- Advanced Metering Infrastructure rollout programme - R375 million
- Aloe Ridge Housing Project - R49.4 million
- Athlone Refuse Transfer Station: Development of a Mechanical Biological Treatment Facility - R252.4 million
- Athlone Waste Water Treatment Works - Capacity Extension Phase 1 - R287.2 million
- Atlantis Aquifer - R222 million
- Atlantis Kanonkop Housing Project - R24.6 million
- Beacon Valley Housing Project - Mitchells Plain - R80 million
- Bellville: Public Transport Hub - R20.4 million
- Blue Berry Hill Housing Project - R55.2 million
- Bulk Reticulation Sewers in Milnerton Rehabilitation - R142.6 million
- Cape Flats Aquifer - R336 million
- Cape Flats Aquifer Recharge - R823.1 million
- Cape Flats Waste Water Treatment Works - Refurbishment - R681.9 million
- Cape Town International Convention Centre Upgrade - R21.4 million
- Coastal Park Transfer Station: Develop Modern Materials Recovery Facility - R259.1 million
- Congestion Relief - Erica Drive - R83.4 million
- Contermanskloof Reservoir - R107.8 million
- Contract Management System Integration - R40.5 million
- Dashboard Cameras - R20 million
- District 6 Public Realm Upgrade - R11.7 million
- EAM Depot Realignment: 5 Nodal System - R78.2 million
- Electricity Substations: Fencing - R67.3 million
- E-Tendering System - R82.7 million
- Farm 920 & Bloubos Road Housing Project - R27.9 million
- Gordon's Bay Sewer Rising Main - R75.2 million
- Grassy Park Non-Motorised Transport - R59.2 million
- Greenville Housing Project - R67.7 million
- Ground Mounted solar photovoltaic panel installations - R100 million
- Gugulethu - Airport Precinct Land Rehabilitation - R131.5 million
- Hanover Park Housing Project - R21.7 million
- Hostels Transformation Programme - R66.2 million
- Informal Settlement Upgrade - Airport Precinct, Gugulethu - R202.9 million
- Informal Settlement Upgrade - Barney Molokwana, Khayelitsha - R30 million
- Informal Settlement Upgrade - Enkanini - R179 million
- Informal Settlement Upgrade - Enkanini South - R78 million

- Informal Settlement Upgrade - Kosovo - R216.4 million
- Informal Settlement Upgrade - Monwabisi Park - R80 million
- Informal Settlement Upgrade (COVID-19) - Du Noon - R25.5 million
- Informal Trade & associated Infrastructure upgrade - Site B - R12.6 million
- Informal Trade & associated Infrastructure upgrade - Site C - R12.7 million
- Integrated Bus Rapid Transit System - R114.5 million
- IT Modernisation - R35.2 million
- Killarney Drop-off facility upgrade: Waste Minimisation - R56.5 million
- Kruskal Avenue Upgrade - R25.2 million
- Langa Fire Station - R57.5 million
- Langa Hostels CRU Project: New Flats - R43.8 million
- Langa Hostels CRU Project: Special Quarters - R70.4 million
- Law Enforcement Advancement Plan - R44.1 million
- Law Enforcement Volunteer Base - R74.7 million
- Library Books, Materials, Periodicals & Subscriptions - R31.3 million
- Library Upgrades and Extensions - R18.8 million
- Local Area Priority Initiatives - R39.1 million
- Local Environment and Heritage Projects - R62.9 million
- Macassar BNG Housing Project - R119.1 million
- Macassar Waste Water Treatment Works Extension - R210 million
- Milnerton Beachfront Retreat - R10.6 million
- Monwabisi Beach Precinct Upgrade - R38 million
- Morgen Gronde Switching Station - R148.4 million
- Muizenberg Beach Front Upgrade - R14.4 million
- Nature Reserve Visitor Education Centres - R64 million
- New Fisantekraal Clinic - R21.3 million
- New Transfer Station at Coastal Park Landfill Site - R146.5 million
- Nooiensfontein Housing Project - R49.9 million
- Noordhoek Low Voltage Depot Construction - R17.8 million
- Nyanga Urban Node Informal Trade - R21.8 million
- Paardevlei Switching Station - R21.3 million
- Pelican Park Phase 2 Housing Project - R25.1 million
- Philippi Collector Sewer - R105.9 million
- Philippi Fresh Produce Market Refurbishment - R19.1 million
- Pooke se Bos Housing Project - R24.8 million
- Potsdam Waste Water Treatment Works - Extension - R1.7 billion
- Property Improvement Training College - R51.8 million
- Provision of Equipment for facilities - R14.2 million
- Public Transport System Projects - R270 million
- Regional Recreation Hubs - R15 million
- Resource efficiency - R84.8 million
- Retreat Public Transport Interchange - R61.3 million

- Road Construction: Extension of Saxdown Road from Langverwacht to Van Riebeeck Road - R72.4 million
- Road Dualling: Berkley Road: M5 - Prestige Drive / Jan Smuts Drive - R62.4 million
- Road Dualling: Broadway Blvd from Main Road 27 to Altena Road - R52 million
- Road Dualling: Jip De Jager Drive from Kommissaris Street to Van Riebeeckshof Road - R67.4 million
- Road Rehabilitation: Bishop Lavis - R49.9 million
- Road Rehabilitation: Bonteheuwel and Uitsig - R51 million
- Road Rehabilitation: Broadlands Road from N2 to 19th Avenue - R38.3 million
- Road Rehabilitation: Hanover Park, Area 2 - R42 million
- Road Rehabilitation: Jakes Gerwel Drive between Frans Conradie Road and Viking Road - R82.8 million
- Road Rehabilitation: Jakes Gerwel Drive between the N1 and N2 - R50.7 million
- Road Upgrade: Amandel Road, between Bottelary River and Church Street - R70 million
- Road Upgrade: Buttskop Road - R64.8 million
- Roads Upgrade: Voortrekker Road: Salt River Canal to Jakes Gerwel Drive - R36 million
- Rusthoff Infill Housing Project - R50.2 million
- Salt River Market Housing Project - R20 million
- SCADA Master Station Upgrade - R55 million
- Sea Point Promenade Upgrade Phase 2 - R42 million
- Sheffield Road Housing Project - R25.4 million
- Sir Lowry's Pass River Upgrade - R286.2 million
- Sir Lowry's Pass Village Housing Project - R53.8 million
- Small Bay Sea Wall Upgrade - R43.9 million
- Somerset West Public Transport Interchange - R90.1 million
- Steenbras Generation facilities & plant refurbishment - R435.9 million
- Strandfontein Integrated Housing Project - R44.5 million
- Symphony Housing Project - R247 million
- Table Mountain Group Aquifer - R275 million
- Table View Beachfront Upgrade - R74.6 million
- Upgrade Maitland Crematorium - R37.6 million
- Upgrade of Athlone Stadium - R9.1 million
- Upgrade of Security at Clinics - R38.2 million
- Upgrade Rietvlei Sewer Pump Station - R145 million
- Upgrade Triangle Main Substation, incl. Triangle Switching Station - R248.8 million
- Vissershok North Landfill: Provision of additional waste disposal capacity - R134.4 million
- Vlakteplaas Housing Project - R25.6 million
- Vuyiseka Multi-Purpose Centre - General Building Rehabilitation - R20.5 million
- Wesfleur Waste Water Treatment Works - Capacity Extension - R63.6 million
- Woodstock Depot Upgrade - R122.8 million
- Wynberg: Public Transport Hub - R42.5 million
- Zandvliet Plant Re-use (50ML) - R581.9 million
- Zandvliet Waste Water Treatment Works - Extension - R547.5 million

The graph below provides an indication on how the capital budget will be spent on infrastructure-related projects over the medium-term.

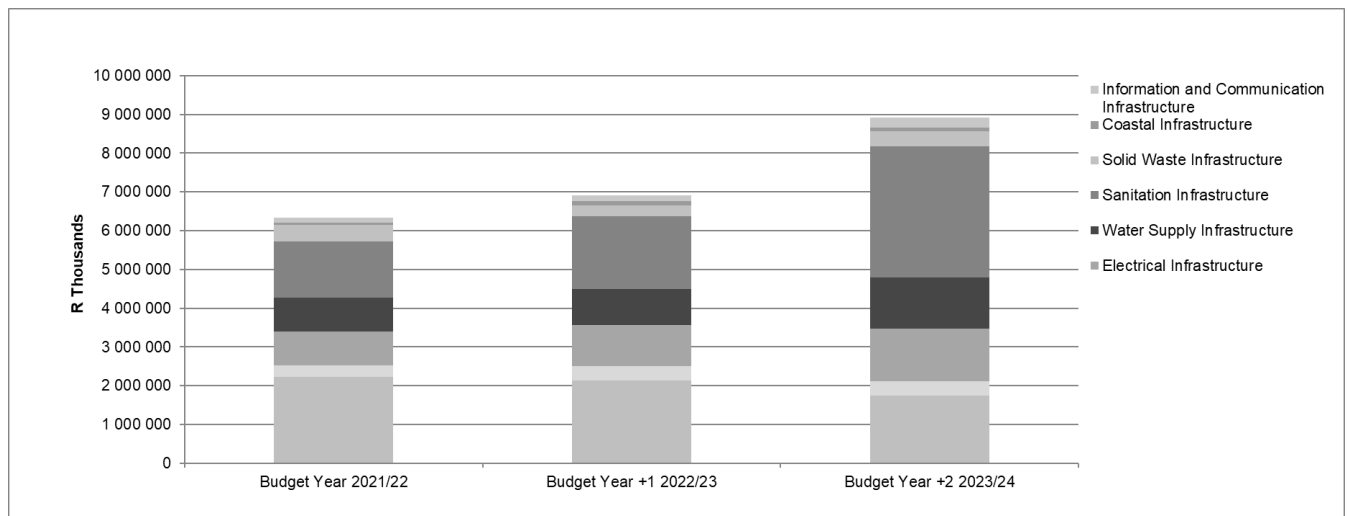


Figure 2 Capital Infrastructure Programme

1.6.1 Total Project Cost and projected cost covering all financial years until the project is operational

Section 19(1)(b) of the MFMA states that before a municipality may spend money on a capital project, the project, including the total cost, has to be approved by Council.

Furthermore, Section 19(3) of the MFMA states that the municipal council may in terms of subsection 19(1)(b) approve capital projects below the value of R50 million (amount as prescribed in MBRR regulation 13(2)(c)), either individually or as part of a consolidated capital programme.

The total project cost of projects was reviewed by implementing directorates and amended, where required, while the estimated total project cost on any new project/programme proposed for inclusion in the budget, are included in Annexures 1 and/or 23.

Moreover, Section 19(2)(a) states that “before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider the projected cost covering all financial years until the project is operational.” This information is also provided in Annexure 23 for those projects being approved individually with a total project cost in excess of R50 million. Outer years’ estimates are reviewed annually during the budget process and amended/updated in line with latest project implementation plans.

1.6.2 Future operational cost of new infrastructure

MFMA Section 19 requires a municipal Council to consider future operational costs and revenues on capital budget projects, including the municipal tax and tariff implications, before approving projects individually or as part of a consolidated programme.

To give effect to this requirement, the future operational cost and revenue of projects/programmes are reflected in Annexures 1 and/or 23 to the budget report.

The estimated future operating impact indicated in these annexures, represents the sum of the operating expenditure of the 3-year MTREF. This includes estimated operating expenditure in respect of salaries, contracted services (including repairs and maintenance), other general expenditure, depreciation and interest cost to be incurred in the running of the asset once operational as well as future operating revenue. The operating impacts excluding depreciation and interest charges were provided by the respective directorates while depreciation and interest charges were calculated by the Finance directorate.

Directorates have confirmed that the future operating impacts (excluding interest charges and depreciation) will be absorbed in their operating budgets over the MTREF through efficiency gains and the prioritisation of existing operational resources, which were considered during the calculation of the revenue increases for the 2021/22 MTREF.

Operating impacts are reviewed annually and amended, where necessary, during the budget process, while taking into consideration the impacts on Rates and Tariffs to ensure future sustainability of the City overall.

The project level detail for those projects with a total project cost in excess of R50 million is available for viewing as part of Annexure 23 at www.capetown.gov.za/budget.

Table SA35, on page 227, represents the future operational costs resulting from the capital investment programme at directorate level. The table shows that the costs estimated over the MTREF are expected to grow from R746 million in 2021/22 to R2 480 million in 2023/24. No additional budgetary provision was made for these costs as it is expected to be absorbed through efficiency gains and the prioritisation of existing operational resources.

1.7 Annual Budget Tables

The ten main budget tables, as extracted from the MBRR A-Schedule (mSCOA version 6.5 Classification Framework) and as required in terms of Regulation 9 of the MBRR, are presented on page 39 to page 59.

These tables reflect the City's 2021/22 budget and MTREF and each table is accompanied by explanatory notes.

Table 21 - MBRR Table A1 - Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
<u>Financial Performance</u>									
Property rates	8 669 308	9 536 185	10 081 179	10 511 519	10 525 121	10 525 121	10 984 132	11 532 163	12 076 858
Service charges	17 019 653	18 907 828	20 100 461	19 885 709	19 872 799	19 872 799	22 396 466	24 783 377	27 402 143
Investment revenue	877 984	1 122 065	1 283 558	847 535	976 104	976 104	855 119	912 415	884 108
Transfers recognised - operational	6 450 645	7 049 218	7 553 698	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Other own revenue	3 769 321	3 575 074	3 362 648	5 371 631	5 336 202	5 336 202	7 623 518	7 818 635	7 909 209
Total Revenue (excluding capital transfers and contributions)	36 786 911	40 190 370	42 381 544	42 225 117	42 848 316	42 848 316	47 509 600	50 821 261	53 629 876
Employee costs	10 865 323	12 334 289	12 775 413	15 203 365	14 875 438	14 875 008	15 612 510	16 233 454	16 703 945
Remuneration of councillors	154 923	161 297	167 521	189 675	189 675	189 675	179 826	187 739	196 375
Depreciation & asset impairment	2 578 561	2 832 012	2 921 723	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630
Finance charges	781 948	755 724	814 407	828 460	851 450	851 450	794 747	1 283 592	1 498 858
Inventory consumed and bulk purchases	9 203 926	9 847 268	11 021 203	11 590 007	11 561 850	11 365 968	14 886 250	16 417 315	18 103 687
Transfers and grants	418 599	391 968	453 464	498 081	556 482	556 482	464 263	404 613	362 078
Other expenditure	8 897 994	9 756 473	11 810 239	13 220 438	13 423 848	13 620 160	13 323 388	13 295 527	13 640 328
Total Expenditure	32 901 274	36 079 030	39 963 970	44 830 093	44 309 610	44 309 610	48 274 839	50 887 910	53 683 901
Surplus/(Deficit)	3 885 637	4 111 340	2 417 575	(2 604 976)	(1 461 294)	(1 461 294)	(765 240)	(66 649)	(54 025)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 732 882	2 078 060	1 911 311	2 815 828	1 743 907	1 743 907	3 066 644	2 861 528	2 770 686
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	78 248	52 664	40 524	189 226	195 569	195 569	206 182	240 264	253 199
Surplus/(Deficit) after capital transfers & contributions	5 696 766	6 242 064	–	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	5 696 766	6 242 064	–	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
<u>Capital expenditure & funds sources</u>									
Capital expenditure	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119
Transfers recognised - capital	1 805 414	2 119 370	1 946 844	2 883 814	1 809 393	1 791 808	3 138 842	2 961 645	2 877 431
Borrowing	2 533 155	388 077	1 060 298	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Internally generated funds	1 265 050	2 808 842	2 963 525	4 222 060	5 566 504	5 348 400	2 675 925	1 648 903	1 598 687
Total sources of capital funds	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119

Table continues on next page

Description R thousands	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Financial position									
Total current assets	14 250 005	18 405 667	19 584 521	15 462 550	17 167 735	17 167 735	16 853 068	19 015 223	21 576 348
Total non current assets	49 792 902	52 547 898	56 552 793	62 552 759	60 708 257	60 708 257	66 340 381	71 750 761	79 137 980
Total current liabilities	8 876 008	9 114 291	9 777 564	9 025 173	10 501 465	10 501 465	11 660 078	13 099 721	14 827 550
Total non current liabilities	12 717 712	13 148 025	13 299 091	17 684 925	13 835 686	13 835 686	15 486 945	18 584 693	23 835 349
Community wealth/Equity	42 449 187	48 691 250	53 060 659	51 305 210	53 538 840	53 538 840	56 046 426	59 081 569	62 051 430
Cash flows									
Net cash from (used) operating	7 349 603	9 246 334	7 005 549	3 778 849	3 629 948	3 629 948	5 769 282	6 275 910	6 056 882
Net cash from (used) investing	(6 037 208)	(6 170 498)	(6 773 466)	(8 822 386)	(6 816 334)	(6 816 334)	(8 523 340)	(8 321 797)	(10 402 526)
Net cash from (used) financing	724 030	(143 179)	715 211	2 173 711	(384 839)	(384 839)	2 145 615	2 844 317	5 009 404
Cash/cash equivalents at the year end	5 486 619	8 419 276	9 366 570	4 660 933	5 795 344	5 795 344	5 186 901	5 985 330	6 649 091
Cash backing/surplus reconciliation									
Cash and investments available	12 579 967	16 294 163	18 070 428	12 535 822	13 670 233	13 670 233	13 061 790	13 860 219	14 523 980
Application of cash and investments	6 246 653	6 939 854	8 897 587	7 895 163	9 239 636	9 239 636	7 332 084	6 754 330	5 540 548
Balance - surplus (shortfall)	6 333 314	9 354 309	9 172 841	4 640 659	4 430 597	4 430 597	5 729 706	7 105 889	8 983 432
Asset management									
Asset register summary (WDV)	44 463 379	46 989 651	50 273 369	56 627 881	54 798 400	54 798 400	60 099 326	66 144 216	74 441 718
Depreciation	2 577 251	2 832 012	2 924 066	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630
Renewal and Upgrading of Existing Assets	2 738 360	2 688 834	3 401 333	4 931 726	4 049 764	3 909 090	4 075 971	4 624 671	6 379 117
Repairs and Maintenance	3 810 065	3 780 395	3 708 274	4 575 398	4 074 439	4 076 028	4 252 885	4 421 396	4 607 792
Free services									
Cost of Free Basic Services provided	1 402 781	1 541 657	1 707 262	1 853 333	1 853 333	1 853 333	2 354 034	2 485 049	2 626 123
Revenue cost of free services provided	1 387 066	1 478 535	1 233 725	1 272 116	1 298 404	1 298 404	1 389 874	1 459 241	1 562 414
Households below minimum service level									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	217	72	149	-	-	-	-	-	-
Energy:	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Refuse:	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

- Table A1 represents a high-level summation of the City's budget, providing a view that includes all major components, i.e. operating, capital, financial position, cash flow and MFMA funding compliance.
- In essence, it provides a synopsis of financial performance, capital expenditure and funding sources, financial position, cash flows, asset management, and the City's commitment to eliminate basic service delivery backlogs.
- The importance of ensuring that a municipal budget is fully funded is stressed in the financial management reforms. The MFMA through Section 18 requires that a budget only be funded by realistically anticipated revenue to be collected and cash-backed accumulated funds from previous years, not committed for other purposes.
- To test whether the City's budget is funded, it is required to collectively assess the financial performance, capital budget, financial position and cash flow budget.

5. The City's key outcomes in this regard are as follows:
 - a. The Financial Performance shows a surplus position over the 2021/22 MTREF. This is as a result of transfers recognised- capital (capital grants and donations received) being excluded from the revenue total while included in the expenditure total.
 - b. The cash flow budget outcome shows that the budget is funded.
 - c. The capital budget is funded from the following sources:
 - i. Transfers recognised capital and public contributions & donations;
 - ii. Borrowing; and
 - iii. Internally generated funds which are financed from previous years' accumulated surpluses, previous years' contributions to CRR and bulk infrastructure levies already collected. The affordability and sustainability of these funds are confirmed by the positive cash flow outcome over the 2021/22 MTREF.
6. The City's persistent strive to eradicate infrastructure backlogs is evident in the annual increase in the Cost of Free Basic Services and the Revenue Cost of Free Basic Services provided. Backlogs still exist for Electricity Services but are projected to reduce.

Table 22 - MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Functional Classification Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional									
Governance and administration	14 283 979	15 443 033	16 146 961	16 142 580	16 544 963	16 544 963	16 555 169	17 342 262	17 907 277
Executive and council	849	1 085	680	1 348	2 932	2 932	1 325	1 339	1 355
Finance and administration	14 283 110	15 441 940	16 146 266	16 141 229	16 542 028	16 542 028	16 553 841	17 340 920	17 905 919
Internal audit	20	8	15	3	3	3	3	3	3
Community and public safety	3 157 324	3 321 949	3 492 566	3 638 278	3 527 625	3 527 625	3 768 707	4 053 984	3 740 650
Community and social services	117 303	133 503	167 238	134 928	125 690	125 690	110 743	113 202	101 517
Sport and recreation	83 533	88 066	66 160	54 043	48 237	48 237	44 660	62 967	75 887
Public safety	1 496 936	1 397 410	1 398 173	1 562 828	1 577 287	1 577 287	1 662 159	1 740 819	1 381 585
Housing	1 079 082	1 305 811	1 437 443	1 384 590	1 316 312	1 316 312	1 426 546	1 599 800	1 659 242
Health	380 469	397 158	423 550	501 889	460 100	460 100	524 600	537 197	522 420
Economic and environmental services	1 787 995	1 820 674	1 779 833	2 927 905	2 044 593	2 044 593	3 323 940	2 922 447	2 749 950
Planning and development	351 646	361 834	379 116	483 906	471 473	471 473	530 303	528 268	539 167
Road transport	1 427 924	1 435 992	1 379 822	2 405 454	1 524 579	1 524 579	2 742 355	2 363 717	2 177 253
Environmental protection	8 425	22 848	20 895	38 545	48 541	48 541	51 281	30 462	33 530
Trading services	19 366 264	21 732 701	22 912 154	22 516 457	22 665 564	22 665 564	27 129 505	29 599 019	32 250 304
Energy sources	12 386 477	13 551 853	14 678 617	14 252 289	14 278 183	14 278 183	16 224 903	18 082 048	20 152 831
Water management	3 640 245	4 539 934	4 532 188	4 473 233	4 673 556	4 673 556	6 907 736	7 237 413	7 562 363
Waste water management	1 864 535	2 061 455	1 967 306	2 015 133	1 996 689	1 996 689	2 160 243	2 290 854	2 390 850
Waste management	1 475 007	1 579 460	1 734 042	1 775 801	1 717 136	1 717 136	1 836 622	1 988 704	2 144 261
Other	2 480	2 736	1 865	4 951	5 046	5 046	5 105	5 340	5 580
Total Revenue - Functional	38 598 041	42 321 094	44 333 380	45 230 171	44 787 792	44 787 792	50 782 426	53 923 053	56 653 762
Expenditure - Functional									
Governance and administration	6 747 509	8 033 945	7 839 828	10 183 666	10 164 289	10 161 100	9 828 627	10 631 949	11 374 553
Executive and council	398 459	425 712	490 203	616 260	617 459	616 459	664 033	646 463	702 445
Finance and administration	6 306 741	7 565 369	7 301 999	9 514 015	9 494 396	9 492 206	9 114 249	9 933 016	10 617 372
Internal audit	42 309	42 863	47 626	53 392	52 434	52 434	50 346	52 471	54 736
Community and public safety	6 668 535	7 290 262	8 055 597	8 666 123	8 683 718	8 684 472	9 036 851	9 196 483	9 037 410
Community and social services	855 828	883 385	1 001 506	1 013 228	1 030 196	1 031 646	970 743	992 208	1 041 214
Sport and recreation	1 117 555	1 188 417	1 271 490	1 159 069	1 196 898	1 197 376	1 159 619	1 155 323	1 189 233
Public safety	2 509 503	2 895 899	3 134 732	3 701 225	3 528 203	3 528 203	3 972 218	4 063 820	3 782 863
Housing	1 104 411	1 166 302	1 374 764	1 391 023	1 494 848	1 493 674	1 534 627	1 540 934	1 542 414
Health	1 081 237	1 156 258	1 273 105	1 401 579	1 433 573	1 433 573	1 399 645	1 444 198	1 481 685
Economic and environmental services	4 048 871	4 553 961	4 829 273	5 167 192	5 197 620	5 195 318	5 282 640	5 257 136	5 429 177
Planning and development	919 745	1 022 496	1 303 335	1 374 025	1 418 351	1 416 049	1 433 576	1 440 051	1 454 095
Road transport	2 999 488	3 386 918	3 337 621	3 578 140	3 536 182	3 536 182	3 609 570	3 609 295	3 754 717
Environmental protection	129 637	144 547	188 317	215 027	243 088	243 088	239 495	207 790	220 365
Trading services	15 341 593	16 091 495	19 120 755	20 620 189	20 053 926	20 058 664	23 921 216	25 594 254	27 632 361
Energy sources	9 565 837	10 036 578	11 243 897	12 030 572	11 905 046	11 905 046	13 555 616	15 159 955	16 955 724
Water management	2 568 752	2 781 938	3 595 917	3 570 275	3 340 136	3 340 225	5 286 244	5 330 941	5 426 728
Waste water management	1 505 962	1 252 180	1 974 109	2 530 258	2 423 768	2 428 417	2 569 535	2 515 528	2 571 316
Waste management	1 701 042	2 020 799	2 306 831	2 489 084	2 384 976	2 384 976	2 509 821	2 587 830	2 678 593
Other	94 766	109 369	118 517	192 923	210 056	210 056	205 505	208 089	210 400
Total Expenditure - Functional	32 901 274	36 079 031	39 963 971	44 830 094	44 309 610	44 309 610	48 274 839	50 887 910	53 683 901
Surplus/(Deficit) for the year	5 696 766	6 242 063	4 369 409	400 077	478 182	478 182	2 507 586	3 035 143	2 969 861

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification, which divides the municipal services into 16 functional classifications.
2. Major contributing items to the increased operating revenue are additional grant allocations from National- and Provincial Government, the projected growth and tariff increases on Property Rates Tax and Service Charges (Water, Sanitation, Electricity and Refuse).
3. The surplus of R2 508 million for 2021/22 includes Transfers recognised- capital (Capital Grants and Donations received), while the expenditure category excludes these transfers.

Table 23 - MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote									
Vote 1 - Community Services & Health	845 736	920 090	914 528	1 066 078	1 234 931	1 234 931	1 006 695	1 037 880	1 012 274
Vote 2 - Corporate Services	88 093	69 717	70 585	57 780	56 762	56 762	90 525	102 268	105 543
Vote 3 - Economic Opportunities & Asset Managemnt	347 914	282 751	262 150	283 469	248 704	248 704	270 274	260 703	243 410
Vote 4 - Energy & Climate Change	12 148 435	13 350 399	14 473 143	14 028 935	14 066 385	14 066 385	15 982 719	17 821 810	19 888 779
Vote 5 - Finance	14 244 329	15 957 830	16 964 279	16 939 234	17 040 235	17 040 235	17 564 399	18 479 510	19 070 129
Vote 6 - Human Settlements	965 319	1 185 791	1 312 455	1 253 326	1 185 048	1 185 048	1 165 880	1 319 704	1 375 040
Vote 7 - Office of the City Manager	117	164	35	6	6	6	7	7	7
Vote 8 - Safety & Security	1 531 936	1 431 606	1 467 522	1 616 047	1 710 815	1 710 815	1 717 028	1 798 212	1 441 560
Vote 9 - Spatial Planning & Environment	148 772	152 894	136 040	187 521	217 156	217 156	235 548	215 097	235 946
Vote 10 - Transport	1 421 534	1 421 445	1 364 477	2 369 495	1 488 620	1 488 620	2 700 909	2 321 996	2 133 204
Vote 11 - Urban Management	211 787	231 778	259 816	275 239	278 562	278 562	302 124	317 152	337 199
Vote 12 - Water & Waste	6 644 068	7 316 632	7 108 350	7 153 041	7 260 569	7 260 569	9 746 317	10 248 715	10 810 669
Total Revenue by Vote	38 598 040	42 321 094	44 333 380	45 230 171	44 787 792	44 787 792	50 782 426	53 923 053	56 653 762
Expenditure by Vote to be appropriated									
Vote 1 - Community Services & Health	3 139 953	3 361 843	3 743 494	4 395 357	4 381 818	4 381 818	4 203 855	4 179 517	4 329 340
Vote 2 - Corporate Services	1 571 084	1 737 373	1 897 301	2 061 829	2 131 156	2 131 156	2 270 723	2 560 944	2 813 259
Vote 3 - Economic Opportunities & Asset Managemnt	1 026 796	1 238 399	1 402 634	1 422 980	1 422 877	1 422 877	1 499 132	1 490 540	1 506 274
Vote 4 - Energy & Climate Change	9 810 072	10 351 302	11 542 133	12 412 445	12 254 004	12 254 004	13 841 423	15 450 732	17 259 159
Vote 5 - Finance	2 544 215	3 361 510	2 694 046	3 686 308	3 798 693	3 798 693	3 222 505	3 816 366	4 118 683
Vote 6 - Human Settlements	1 092 017	1 157 725	1 377 412	1 394 457	1 504 048	1 504 048	1 543 675	1 550 211	1 551 961
Vote 7 - Office of the City Manager	142 779	176 847	229 979	258 605	259 447	259 447	320 619	294 771	338 793
Vote 8 - Safety & Security	2 943 783	3 349 382	3 688 980	4 293 174	4 177 054	4 177 054	4 611 047	4 710 084	4 445 525
Vote 9 - Spatial Planning & Environment	540 893	572 355	664 410	789 228	832 766	832 766	861 959	841 227	867 785
Vote 10 - Transport	3 133 654	3 352 716	3 262 925	3 640 210	3 515 767	3 515 767	3 673 960	3 671 590	3 817 908
Vote 11 - Urban Management	701 002	741 483	968 467	1 127 619	1 149 482	1 149 482	1 080 086	1 116 224	1 160 693
Vote 12 - Water & Waste	6 255 027	6 678 097	8 492 189	9 347 882	8 882 498	8 882 498	11 145 854	11 205 705	11 474 520
Total Expenditure by Vote	32 901 274	36 079 031	39 963 971	44 830 094	44 309 610	44 309 610	48 274 839	50 887 910	53 683 901
Surplus/(Deficit) for the year	5 696 766	6 242 064	4 369 409	400 077	478 182	478 182	2 507 586	3 035 143	2 969 861

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 shows budgeted financial performance in relation to the revenue and expenditure per municipal vote and the operating surplus inclusive of transfers recognised- capital (Capital Grants and Donations received).

The table below is an analysis of the surplus or deficit for trading services.

Table 24 - Surplus/(Deficit) calculations for the trading services

Description	2021/22 Medium Term Revenue & Expenditure Framework		
	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand			
Energy & Climate Change			
Total Operating Revenue (including capital transfers and contributions)	15 982 719	17 821 810	19 888 779
Total Operating Expenditure	13 841 423	15 450 732	17 259 159
Operating Surplus/(Deficit) for the year	2 141 296	2 371 078	2 629 620
% Surplus	13.4%	13.3%	13.2%
Water & Sanitation			
Total Operating Revenue including capital transfers and contributions)	8 045 971	8 408 043	8 816 580
Total Operating Expenditure	8 039 190	8 009 811	8 163 341
Operating Surplus/(Deficit) for the year	6 781	398 232	653 238
% Surplus	0.1%	4.7%	7.4%
Solid Waste Management			
Total Operating Revenue including capital transfers and contributions)	1 697 760	1 839 496	1 992 860
Total Operating Expenditure	1 303 698	1 355 408	1 420 685
Operating Surplus/(Deficit) for the year	394 062	484 088	572 175
% Surplus	23.2%	26.3%	28.7%

The calculation of the trading services' surplus/deficit - as per Table 24 - is based on primary revenue and expenditure items only. It does not include contributions from Energy to Rates or internal cost charges/recoveries. These 'secondary elements' are, however, included in the tariff calculations for the various trading services. When taking the secondary budget into account, none of the trading services reflect a deficit/surplus position.

Table 25 - MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Revenue By Source									
Property rates	8 669 308	9 536 185	10 081 179	10 511 519	10 525 121	10 525 121	10 984 132	11 532 163	12 076 858
Service charges - electricity revenue	11 810 596	13 042 932	14 253 069	13 789 334	13 829 694	13 829 694	15 734 566	17 571 754	19 655 102
Service charges - water revenue	2 633 611	3 123 527	3 021 344	3 194 459	3 212 865	3 212 865	3 556 345	3 848 376	4 104 016
Service charges - sanitation revenue	1 518 274	1 602 463	1 550 298	1 616 486	1 616 883	1 616 883	1 775 113	1 916 842	2 050 805
Service charges - refuse revenue	1 057 172	1 138 907	1 275 750	1 285 431	1 213 356	1 213 356	1 330 442	1 446 405	1 592 219
Rental of facilities and equipment	455 331	395 688	340 986	359 559	355 765	355 765	350 647	365 397	381 856
Interest earned - external investments	877 984	1 122 065	1 283 558	847 535	976 104	976 104	855 119	912 415	884 108
Interest earned - outstanding debtors	302 792	358 499	406 848	389 137	416 982	416 982	449 452	471 822	497 547
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 666 379	1 485 757	1 313 161	1 063 333	1 063 333	1 063 333	1 247 015	1 249 177	1 251 390
Licences and permits	52 141	64 881	45 587	76 875	65 092	65 092	67 110	70 197	73 355
Agency services	213 550	230 144	200 585	242 236	242 236	242 236	261 614	282 544	305 147
Transfers and subsidies	6 450 645	7 049 218	7 553 698	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Other revenue	998 651	916 842	1 003 030	3 190 491	3 138 795	3 138 795	3 194 622	3 324 052	3 342 021
Gains	80 477	123 262	52 451	50 000	54 000	54 000	2 053 058	2 055 448	2 057 893
Total Revenue (excluding capital transfers and contributions)	36 786 911	40 190 370	42 381 544	42 225 117	42 848 316	42 848 316	47 509 600	50 821 261	53 629 876
Expenditure By Type									
Employee related costs	10 865 323	12 334 289	12 775 413	15 203 365	14 875 438	14 875 008	15 612 510	16 233 454	16 703 945
Remuneration of councillors	154 923	161 297	167 521	189 675	189 675	189 675	179 826	187 739	196 375
Debt impairment	1 360 558	1 582 947	2 804 042	3 640 353	3 210 936	3 210 936	2 716 859	2 785 991	2 662 635
Depreciation & asset impairment	2 578 561	2 832 012	2 921 723	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630
Finance charges	781 948	755 724	814 407	828 460	851 450	851 450	794 747	1 283 592	1 498 858
Bulk purchases - electricity	7 870 527	8 281 772	9 317 868	9 585 215	9 585 215	9 585 215	11 182 400	12 669 659	14 354 724
Inventory consumed	1 333 399	1 565 496	1 703 335	2 004 792	1 976 635	1 780 753	3 703 850	3 747 655	3 748 963
Contracted services	5 432 869	5 996 310	6 710 842	7 215 975	7 690 470	7 698 490	7 960 363	7 586 651	7 861 893
Transfers and subsidies	418 599	391 968	453 464	498 081	556 482	556 482	464 263	404 613	362 078
Other expenditure	2 016 470	1 990 134	2 210 367	2 362 108	2 520 290	2 708 568	2 632 043	2 908 664	3 101 478
Losses	88 098	187 081	84 988	2 002	2 153	2 166	14 124	14 222	14 322
Total Expenditure	32 901 274	36 079 030	39 963 970	44 830 093	44 309 610	44 309 610	48 274 839	50 887 910	53 683 901
Surplus/(Deficit)	3 885 637	4 111 340	2 417 575	(2 604 976)	(1 461 294)	(1 461 294)	(765 240)	(66 649)	(54 025)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 732 882	2 078 060	1 911 311	2 815 828	1 743 907	1 743 907	3 066 644	2 861 528	2 770 686
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	72 532	49 804	40 465	189 226	195 569	195 569	206 182	240 264	253 199
Transfers and subsidies - capital (in-kind - all)	5 716	2 860	60	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	5 696 766	6 242 064	4 369 410	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	5 696 766	6 242 064	4 369 410	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	5 696 766	6 242 064	4 369 410	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	5 696 766	6 242 064	4 369 410	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861

Explanatory notes to MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Table A4 is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type. Total revenue (excluding appropriations, which are disclosed in the Statement of Financial Position) is R47 510 million in 2021/22 escalating to R53 630 million by 2023/24. Major contributing items to the total revenue are the projected growth and tariff increases on property rates tax and service charges.
2. Revenue to be generated from Property Rates is R10 984 million (23.1% of the total revenue basket) in 2021/22 increasing to R12 077 million (22.3% of the total revenue basket) by 2023/24. This remains a significant funding source for the City.
3. Service charges relating to electricity, water, sanitation and refuse removal constitute the biggest component of the revenue basket of the City totalling R22 396 million in 2021/22 or 47.1% of the revenue base, increasing to R27 402 million in 2023/24.
4. Transfers & Subsidies decreases from R5 650 million in 2021/22 to R5 358 million in 2023/24. This includes external allocations received from National- and Provincial Government and private sector funding.

The table below provides a graphically view of the main sources of revenue over the MTREF.

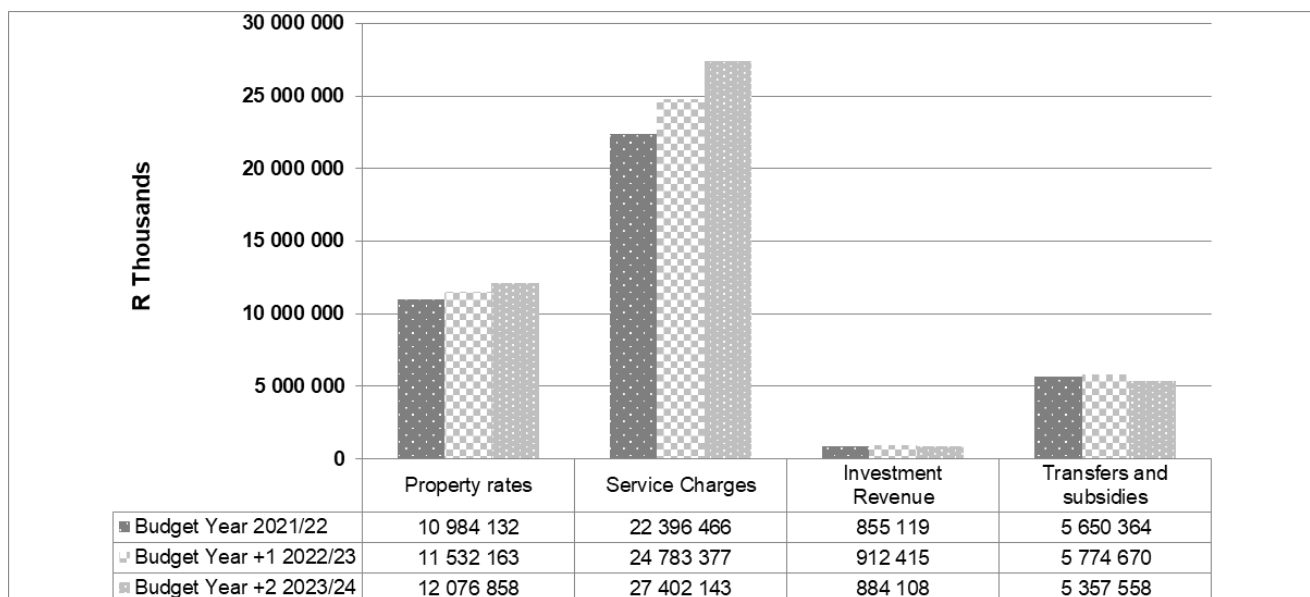


Figure 3 Revenue by source

5. Employee-related costs are the main cost driver within the City's operating expenditure budget increasing from R15 613 million in 2021/22 to R16 704 million in 2023/24.
6. Bulk purchases (electricity) increases significantly over the MTREF, escalating from R11 182 million in 2021/22 to R14 355 million in 2023/24. This increase can be attributed to substantial increases in the cost of bulk electricity.
7. Depreciation & Asset Impairment totals R3 014 million for the 2021/22 financial year and is linked to the capitalisation rate of assets. The calculation of depreciation on new capital expenditure is based on variables such as asset class and lifespan depending on the nature of the asset. Depreciation of existing assets is calculated based on simulated financial system data (SAP), which reflects actual values per annum. Assets Under Construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.
8. Contracted Services decreases from R7 960 million in 2021/22 to R7 862 million in 2023/24 and includes budgetary provision for repairs and maintenance.
9. The R765 million deficit reflected in 2021/22 is funded from prior years' cash-backed surpluses. The deficit reduces to R54 million by 2023/24.

The figure below provides a graphically view of the main sources of expenditure over the MTREF.

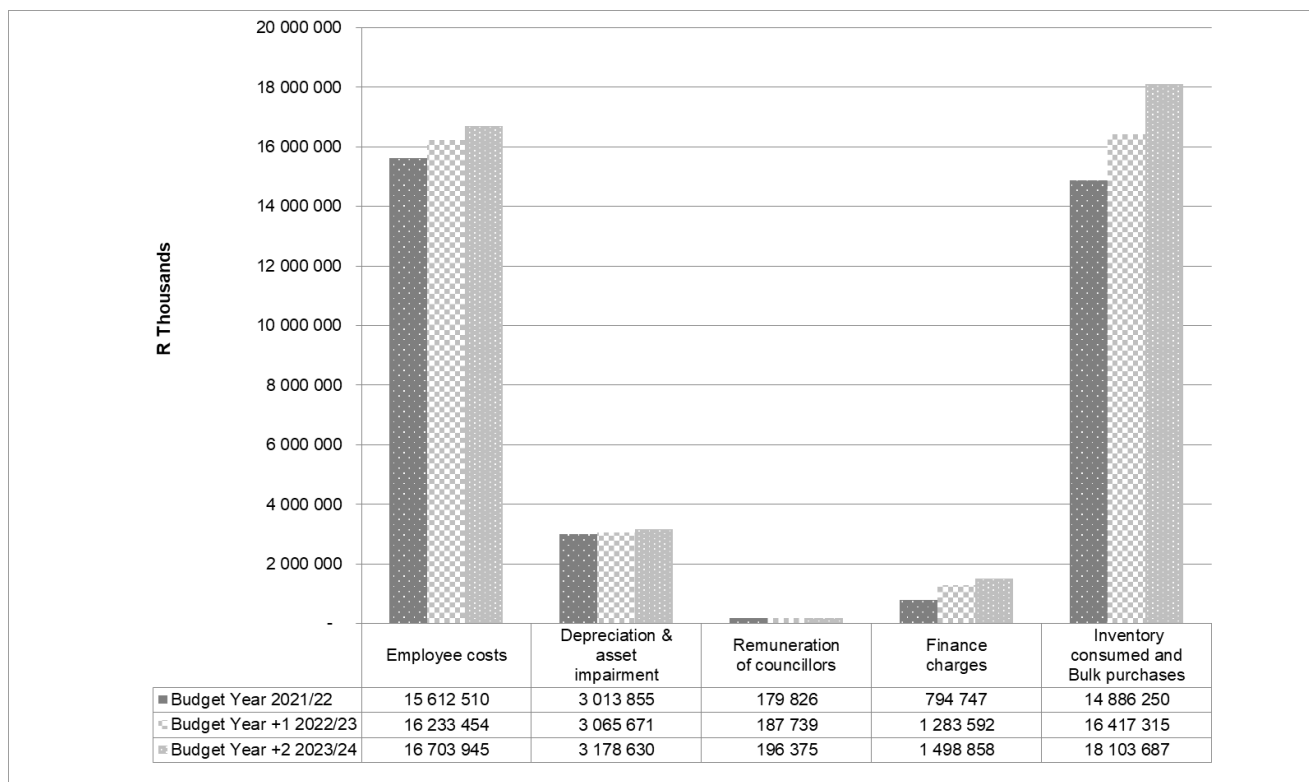


Figure 4 Expenditure by type

Table 26 - MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Community Services & Health	260 247	294 231	283 453	453 758	327 256	320 492	299 732	234 255	149 803
Vote 2 - Corporate Services	370 959	252 050	157 647	242 020	225 143	209 732	248 768	398 624	562 244
Vote 3 - Economic Opportunities & Asset Managemnt	295 284	272 714	391 416	580 321	359 072	352 195	215 801	305 809	418 516
Vote 4 - Energy & Climate Change	1 024 550	749 456	622 239	1 049 131	852 722	799 006	1 014 657	1 162 227	1 486 852
Vote 5 - Finance	14 009	26 225	63 051	268 787	274 033	256 358	25 515	90 315	16 650
Vote 6 - Human Settlements	464 837	670 112	858 297	894 903	781 009	789 328	827 201	1 008 878	1 056 944
Vote 7 - Office of the City Manager	2 288	2 500	1 329	2 130	1 585	1 532	1 103	705	705
Vote 8 - Safety & Security	158 094	206 866	429 428	438 954	385 688	385 476	258 298	187 842	218 646
Vote 9 - Spatial Planning & Environment	42 434	57 070	54 776	157 205	133 448	124 297	141 722	221 453	263 653
Vote 10 - Transport	1 001 020	973 584	873 070	1 793 342	917 980	856 573	2 191 855	2 076 400	1 798 343
Vote 11 - Urban Management	17 308	22 429	57 350	81 503	66 978	62 141	46 729	86 577	92 577
Vote 12 - Water & Waste	1 952 589	1 789 054	2 178 611	3 643 819	3 050 982	2 983 078	3 043 384	3 337 462	5 411 185
Total Capital Expenditure - Vote	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119
Capital Expenditure - Functional									
Governance and administration	1 207 303	953 790	940 353	1 396 272	1 126 808	1 088 305	893 761	1 149 711	1 383 158
Executive and council	4 328	3 413	4 114	19 414	19 176	19 200	5 052	3 527	3 693
Finance and administration	1 202 224	950 102	935 724	1 376 447	1 107 458	1 069 008	888 469	1 146 104	1 379 386
Internal audit	751	275	516	411	173	98	240	79	79
Community and public safety	811 812	988 852	1 371 591	1 833 488	1 553 524	1 538 640	1 211 834	1 322 114	1 348 928
Community and social services	131 174	83 095	87 086	121 397	99 760	94 778	74 151	79 857	69 505
Sport and recreation	94 055	88 538	85 176	357 122	336 147	317 123	98 585	63 487	57 184
Public safety	76 656	87 618	289 173	367 250	279 947	280 750	154 854	132 843	147 245
Housing	464 837	670 112	858 297	894 903	781 009	789 328	827 201	1 008 878	1 056 944
Health	45 090	59 489	51 860	92 816	56 662	56 660	57 042	37 050	18 050
Economic and environmental services	1 060 763	1 066 375	992 568	2 018 513	1 117 247	1 027 612	2 367 117	2 347 578	2 117 621
Planning and development	33 694	51 066	92 747	112 992	116 067	92 595	89 433	100 478	150 813
Road transport	1 008 733	988 308	879 876	1 791 572	917 696	856 800	2 190 255	2 076 084	1 798 028
Environmental protection	18 337	27 000	19 945	113 949	83 485	78 217	87 428	171 016	168 780
Trading services	2 516 840	2 292 473	2 664 218	4 338 922	3 565 756	3 473 079	3 831 805	4 289 295	6 624 562
Energy sources	930 773	736 092	593 665	1 027 660	829 841	786 391	1 012 157	1 157 727	1 480 352
Water management	893 393	921 660	993 839	1 287 888	1 290 857	1 287 392	966 786	1 301 998	2 164 011
Waste water management	583 306	533 320	883 414	1 465 161	1 023 931	1 025 895	1 350 020	1 457 639	2 496 950
Waste management	109 367	101 400	193 299	558 214	421 126	373 401	502 843	371 930	483 249
Other	6 901	14 800	1 938	18 679	12 563	12 572	10 250	1 850	1 850
Total Capital Expenditure - Functional	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119
Funded by:									
National Government	1 699 597	2 047 136	1 869 804	2 803 382	1 730 291	1 714 559	3 050 778	2 819 321	2 671 759
Provincial Government	33 285	22 430	36 561	12 446	13 616	13 616	15 866	42 207	98 927
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	72 532	49 804	40 480	67 986	65 486	63 634	72 198	100 117	106 745
Transfers recognised - capital	1 805 414	2 119 370	1 946 844	2 883 814	1 809 393	1 791 808	3 138 842	2 961 645	2 877 431
Borrowing	2 533 155	388 077	1 060 298	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Internally generated funds	1 265 050	2 808 842	2 963 525	4 222 060	5 566 504	5 348 400	2 675 925	1 648 903	1 598 687
Total Capital Funding	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 reflects the City's capital programme in relation to capital expenditure by municipal vote (directorate); capital expenditure by standard classification; funding sources required to fund the capital budget and information on capital transfers from National- and Provincial departments.
2. The MFMA provides that a municipality may approve single- or multi-year capital budget appropriations. The City has allocated multi-year appropriations amounting to R8 315 million for 2021/22, increasing to R9 111 million and R11 476 million in 2022/23 and 2023/24 respectively.
3. The capital budget is funded by allocations made to the City in the form of grants by National- and Provincial government, public contributions and donations, borrowings and internally generated funds.
4. Capital transfers from National- and the Western Cape Government amount to R3 066 million (36.9%) in 2021/22, decreasing to R2 682 million in 2022/23 and R2 771 million in 2023/24.
5. Transfers and Subsidies – capital amount to R72.2 million, R100.1 million and R106.7 million respectively over the MTREF.
6. Borrowing of R2 500 million (2021/22), R4 500 million (2022/23) and R7 000 million (2023/24) has been provided for in terms of affordability levels as determined during the MTREF modelling.
7. Internally generated funds amounting to R2 676 million, R1 649 million and R1 599 million have been provided for annually over the MTREF.

Table 27 - MBRR Table A6 - Budgeted Financial Position

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
ASSETS									
Current assets									
Cash	249 821	302 472	277 285	121 758	121 758	121 758	134 904	96 396	122 485
Call investment deposits	7 218 373	10 649 133	11 525 335	6 505 170	7 639 581	7 639 581	6 686 030	8 157 367	9 705 210
Consumer debtors	5 626 400	6 215 923	6 320 661	6 999 547	7 677 462	7 677 462	7 940 433	8 212 050	8 779 543
Other debtors	669 394	793 308	1 021 212	1 302 932	1 265 569	1 265 569	1 616 220	2 060 668	2 464 869
Current portion of long-term receivables	14 290	8 838	8 524	5 594	8 526	8 526	4 889	1 695	99
Inventory	471 727	435 992	431 504	527 549	454 840	454 840	470 592	487 047	504 143
Total current assets	14 250 005	18 405 667	19 584 521	15 462 550	17 167 735	17 167 735	16 853 068	19 015 223	21 576 348
Non current assets									
Long-term receivables	217 750	215 690	11 616	15 984	963	963	212	115	17
Investments	5 111 773	5 342 557	6 267 808	5 908 894	5 908 894	5 908 894	6 240 856	5 606 456	4 696 285
Investment property	584 713	582 962	581 247	579 534	579 533	579 533	577 820	576 107	574 393
Investment in Associate	–	–	–	–	–	–	–	–	–
Property, plant and equipment	43 153 765	45 703 232	49 082 175	55 655 771	53 772 245	53 772 245	58 952 744	64 832 179	72 997 731
Biological	–	–	–	–	–	–	–	–	–
Intangible	716 009	693 178	599 678	382 296	436 352	436 352	524 765	690 371	824 021
Other non-current assets	8 892	10 280	10 269	10 280	10 269	10 269	43 983	45 533	45 533
Total non current assets	49 792 902	52 547 898	56 552 793	62 552 759	60 708 257	60 708 257	66 340 381	71 750 761	79 137 980
TOTAL ASSETS	64 042 907	70 953 565	76 137 314	78 015 309	77 875 992	77 875 992	83 193 449	90 765 983	100 714 329
LIABILITIES									
Current liabilities									
Bank overdraft	–	–	–	–	–	–	–	–	–
Borrowing	376 805	427 597	446 355	628 487	407 221	407 221	1 565 429	2 054 389	2 852 395
Consumer deposits	381 660	410 962	419 421	497 264	438 715	438 715	455 824	474 969	495 868
Trade and other payables	7 102 387	7 127 758	7 527 442	6 602 127	8 234 751	8 234 751	7 497 681	7 856 050	7 984 669
Provisions	1 015 156	1 147 974	1 384 347	1 297 295	1 420 779	1 420 779	2 141 143	2 714 313	3 494 619
Total current liabilities	8 876 008	9 114 291	9 777 564	9 025 173	10 501 465	10 501 465	11 660 078	13 099 721	14 827 550
Non current liabilities									
Borrowing	6 492 536	6 270 937	6 871 889	9 784 054	6 580 592	6 580 592	7 589 127	9 957 474	14 363 090
Provisions	6 225 176	6 877 088	6 427 203	7 900 871	7 255 094	7 255 094	7 897 818	8 627 219	9 472 259
Total non current liabilities	12 717 712	13 148 025	13 299 091	17 684 925	13 835 686	13 835 686	15 486 945	18 584 693	23 835 349
TOTAL LIABILITIES	21 593 720	22 262 316	23 076 656	26 710 099	24 337 152	24 337 152	27 147 023	31 684 414	38 662 899
NET ASSETS	42 449 187	48 691 250	53 060 659	51 305 210	53 538 840	53 538 840	56 046 426	59 081 569	62 051 430
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	38 984 106	43 892 330	47 421 464	46 737 031	48 580 967	48 580 967	51 800 220	54 475 210	57 008 900
Reserves	3 465 082	4 798 920	5 639 194	4 568 179	4 957 873	4 957 873	4 246 206	4 606 360	5 042 530
TOTAL COMMUNITY WEALTH/EQUITY	42 449 187	48 691 250	53 060 659	51 305 210	53 538 840	53 538 840	56 046 426	59 081 569	62 051 430

Explanatory notes to Table A6 - Budgeted Financial Position

- a. The budgeted Statement of Financial Position of the City has been prepared on a basis consistent with GRAP1 and international accounting standards and as such makes it comparable with the present Statement of Financial Position and those of previous years. This will enable all stakeholders to interpret the impact of the budget as such on the Statement of Financial Position.
- b. The assets are in the order of relative liquidity and liabilities according to their priority of being met with cash and an extensive table of notes (MBRR Table SA3 on page 234) are provided with details of the major components of items, such as:
 - Inventory;
 - Consumer Debtors;
 - Property, Plant and Equipment;
 - Trade and Other Payables;
 - Non-Current Provisions;
 - Changes in Net Assets; and
 - Reserves.
- c. Movements on the Budgeted Statement of Financial Performance will impact on the Budgeted Statement of Financial Position. Assumptions made on the collection rate for instance, will affect the budgeted cash position of the City and the budgeted impairment of debtors. As such the assumptions form a critical link in determining the applicability and relevance of the budget, the determination of financial indicators, the assessment of funding compliance and the general viability of the municipality.

Table 28 - MBRR Table A7 - Budgeted Cash Flow Statement

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	8 470 387	9 319 556	9 296 655	10 031 409	10 136 463	10 136 463	10 544 767	11 070 877	11 593 784
Service charges	18 160 336	20 600 259	19 396 197	18 045 505	18 364 553	18 364 553	21 640 699	23 964 870	26 518 325
Other revenue	2 472 152	2 573 710	3 798 052	4 122 832	3 968 169	3 968 169	4 049 121	4 215 418	4 278 164
Transfers and Subsidies - Operational	4 011 324	4 468 913	4 945 515	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Transfers and Subsidies - Capital	1 733 466	2 079 448	1 911 311	2 815 828	1 873 990	1 873 990	3 200 628	3 001 675	2 917 140
Interest	1 150 625	1 427 759	1 642 305	847 535	976 104	976 104	855 119	912 415	884 108
Payments									
Suppliers and employees	(27 959 017)	(30 505 458)	(33 265 559)	(36 939 655)	(37 074 094)	(37 074 094)	(38 966 571)	(41 035 995)	(43 671 675)
Finance charges	(689 670)	(717 853)	(718 927)	(753 329)	(753 329)	(753 329)	(740 582)	(1 223 407)	(1 458 443)
Transfers and Grants	–	–	–	–	–	–	(464 263)	(404 613)	(362 078)
NET CASH FROM/(USED) OPERATING ACTIVITIES	7 349 603	9 246 334	7 005 549	3 778 849	3 629 948	3 629 948	5 769 282	6 275 910	6 056 882
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	98 239	151 009	73 195	117 986	119 486	119 486	124 139	154 448	163 521
Decrease (increase) in non-current receivables	15 030	7 513	10 826	3 390	963	963	(751)	(97)	(99)
Decrease (increase) in non-current investments	(561 572)	(936 202)	(886 819)	(298 475)	(298 475)	(298 475)	(331 962)	634 400	910 171
Payments									
Capital assets	(5 588 905)	(5 392 818)	(5 970 668)	(8 645 287)	(6 638 307)	(6 638 307)	(8 314 767)	(9 110 548)	(11 476 119)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(6 037 208)	(6 170 498)	(6 773 466)	(8 822 386)	(6 816 334)	(6 816 334)	(8 523 340)	(8 321 797)	(10 402 526)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	1 000 000	196 420	1 091 580	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Increase (decrease) in consumer deposits	29 950	29 302	8 459	45 206	(13 344)	(13 344)	17 110	19 145	20 899
Payments									
Repayment of borrowing	(305 920)	(368 901)	(384 828)	(371 495)	(371 495)	(371 495)	(371 495)	(1 674 828)	(2 011 495)
NET CASH FROM/(USED) FINANCING ACTIVITIES	724 030	(143 179)	715 211	2 173 711	(384 839)	(384 839)	2 145 615	2 844 317	5 009 404
NET INCREASE/ (DECREASE) IN CASH HELD	2 036 425	2 932 657	947 294	(2 869 825)	(3 571 224)	(3 571 224)	(608 444)	798 430	663 761
Cash/cash equivalents at the year begin:	3 450 194	5 486 619	8 419 276	7 530 759	9 366 569	9 366 569	5 795 344	5 186 901	5 985 330
Cash/cash equivalents at the year end:	5 486 619	8 419 276	9 366 570	4 660 933	5 795 344	5 795 344	5 186 901	5 985 330	6 649 091

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

- The table shows the cash and cash equivalents of the City during the 2021/22 MTREF.
- For the 2021/22 MTREF the budget has been prepared to ensure adequate levels of working capital representing cash and cash equivalents over the medium-term, with projected cash levels of R5 187 million for 2021/22 increasing to R6 650 million by 2023/24.
- Assumptions used in the preparation of the cash flow budget.
 - Revised collection rates:
 - Property rates - 96%
 - Electricity - 99%
 - Water - 94%
 - Sanitation - 93%
 - Solid waste - 91%
 - Rental income - 75%
 - Fines - 20%
 - Disposal Coupon Fees are excluded from 'Solid Waste' revenue and included under the 'Other revenue' category.
 - The assumptions for expenditure is 100% spend.

Table 29 - MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash and investments available									
Cash/cash equivalents at the year end	5 486 619	8 419 276	9 366 570	4 660 933	5 795 344	5 795 344	5 186 901	5 985 330	6 649 091
Other current investments > 90 days	1 981 576	2 532 330	2 436 050	1 965 995	1 965 995	1 965 995	1 634 033	2 268 433	3 178 604
Non current assets - Investments	5 111 773	5 342 557	6 267 808	5 908 894	5 908 894	5 908 894	6 240 856	5 606 456	4 696 285
Cash and investments available:	12 579 967	16 294 163	18 070 428	12 535 822	13 670 233	13 670 233	13 061 790	13 860 219	14 523 980
Application of cash and investments									
Unspent conditional transfers	1 067 745	1 298 170	1 392 172	1 740 833	1 499 161	1 499 161	1 563 531	1 638 697	1 724 596
Unspent borrowing	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(550 927)	(1 660 992)	(1 171 751)	(2 781 234)	(1 609 248)	(1 609 248)	(3 144 555)	(3 561 429)	(4 459 949)
Other provisions	–	–	–	1 297 295	1 297 295	1 297 295	1 264 232	1 301 814	1 374 035
Long term investments committed	2 264 754	2 503 755	2 771 615	3 070 090	3 070 090	3 070 090	3 402 669	2 768 888	1 859 336
Reserves to be backed by cash/investments	3 465 081	4 798 920	5 905 551	4 568 179	4 957 873	4 957 873	4 246 206	4 606 360	5 042 530
Total Application of cash and investments:	6 246 653	6 939 854	8 897 587	7 895 163	9 215 171	9 215 171	7 332 084	6 754 330	5 540 548
Surplus(shortfall)	6 333 314	9 354 309	9 172 841	4 640 659	4 455 062	4 455 062	5 729 706	7 105 889	8 983 432

Explanatory notes to Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. From the table it can be seen that the City remains in a surplus net cash flow position over the 2021/22 MTREF.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2021/22 MTREF is fully funded.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF, the end objective of the medium-term framework was to ensure the budget is funded/aligned to section 18 of the MFMA.
7. Table A8 reflects a surplus of R5 730 million in 2021/22 increasing to R8 983 million by 2023/24.

Table 30 - MBRR Table A9 - Asset Management

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	2 865 259	2 627 456	2 569 335	4 674 148	3 326 133	3 231 118	4 238 795	4 485 877	5 097 002
Roads Infrastructure	601 711	587 481	509 029	1 422 501	566 295	543 673	1 848 230	1 675 160	1 170 215
Storm water Infrastructure	103 566	98 758	129 716	144 887	121 265	130 469	155 165	161 169	190 398
Electrical Infrastructure	426 255	319 606	186 867	463 936	426 664	416 813	346 389	405 320	335 669
Water Supply Infrastructure	433 731	519 126	686 393	672 970	749 752	748 214	446 177	398 961	770 527
Sanitation Infrastructure	110 946	187 147	160 537	403 632	301 349	306 702	276 400	570 736	1 029 304
Solid Waste Infrastructure	65 287	13 523	60 885	400 302	259 391	225 338	376 760	228 702	367 442
Coastal Infrastructure	–	–	–	764	336	336	2 000	8 644	–
Information and Communication Infrastructure	157 577	69 757	23 060	49 363	33 775	35 775	58 749	69 667	155 163
Infrastructure	1 899 072	1 795 398	1 756 487	3 558 355	2 458 827	2 407 320	3 509 871	3 518 360	4 018 717
Community Facilities	217 809	294 880	205 512	226 754	209 596	221 112	252 504	304 320	315 742
Sport and Recreation Facilities	1 149	534	658	1 035	2 472	1 472	4 000	–	–
Community Assets	218 957	295 414	206 170	227 789	212 068	222 584	256 504	304 320	315 742
Heritage Assets	–	–	–	30	30	30	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	206 772	80 599	102 237	312 591	102 218	90 165	98 805	94 248	184 541
Housing	8 113	18 822	7 515	37 414	34 582	17 089	11 566	57 615	65 692
Other Assets	214 884	99 421	109 752	350 005	136 800	107 254	110 371	151 864	250 233
Licences and Rights	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Intangible Assets	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Computer Equipment	214 178	127 174	74 763	142 907	143 072	125 616	91 445	77 641	59 474
Furniture and Office Equipment	104 912	101 777	98 220	159 477	195 028	186 508	134 152	102 523	93 230
Machinery and Equipment	139 739	36 812	52 524	50 358	52 364	71 059	70 203	65 330	54 372
Transport Assets	68 313	155 011	207 284	124 713	92 635	73 135	22 600	11 125	86 060
Land	1 511	5 157	38 644	33 000	21 162	21 162	21 000	15 900	13 664
Total Renewal of Existing Assets	1 516 941	1 498 780	1 702 820	2 377 329	2 047 520	1 986 318	1 926 675	2 275 963	3 144 202
Roads Infrastructure	129 464	123 380	116 938	172 641	137 838	116 962	178 832	167 638	175 749
Storm water Infrastructure	34 565	27 376	16 684	54 608	20 488	20 488	22 047	29 304	30 861
Electrical Infrastructure	322 032	301 112	271 821	430 377	296 700	275 778	405 796	474 092	759 750
Water Supply Infrastructure	415 558	245 200	214 005	297 000	299 000	305 590	369 820	446 100	444 267
Sanitation Infrastructure	96 530	132 652	188 287	383 301	284 906	277 361	282 966	539 743	1 075 449
Solid Waste Infrastructure	–	–	189	–	–	–	–	–	10 000
Coastal Infrastructure	4 671	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	4 988	3 819	1 911	7 569	5 671	5 671	6 375	39 248	57 173
Infrastructure	1 007 807	833 539	809 834	1 345 496	1 044 603	1 001 849	1 265 835	1 696 125	2 553 249
Community Facilities	7 033	3 774	8 320	31 748	39 963	35 238	22 200	23 447	16 825
Sport and Recreation Facilities	439	–	–	1 900	9 785	9 629	6 500	–	–
Community Assets	7 471	3 774	8 320	33 648	49 748	44 867	28 700	23 447	16 825
Heritage Assets	430	5 074	988	1 257	902	902	744	1 550	–
Operational Buildings	24 525	20 078	11 322	53 389	37 628	30 878	37 272	27 196	21 450
Housing	20 163	50 012	127 394	125 261	111 696	109 815	57 129	69 795	69 795
Other Assets	44 688	70 090	138 715	178 651	149 324	140 693	94 401	96 991	91 245
Licences and Rights	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Intangible Assets	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Computer Equipment	77 592	119 334	120 529	111 499	140 596	137 453	62 803	44 422	44 583
Furniture and Office Equipment	16 088	19 452	37 381	27 827	25 105	23 005	39 587	12 663	11 510
Machinery and Equipment	56 922	62 916	5 474	67 398	29 442	18 496	58 812	57 175	58 000
Transport Assets	302 131	375 447	575 088	602 555	598 323	609 574	363 793	331 591	357 791

Table continues on next page

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Total Upgrading of Existing Assets	1 221 419	1 190 054	1 698 513	2 554 397	2 002 245	1 922 773	2 149 297	2 348 708	3 234 915
Roads Infrastructure	164 679	178 498	257 828	199 613	156 351	141 517	203 646	293 780	398 959
Storm water Infrastructure	8 219	4 893	17 916	110 247	24 579	22 817	114 453	183 850	153 939
Electrical Infrastructure	108 642	40 691	23 364	25 578	6 580	6 580	124 430	176 140	252 668
Water Supply Infrastructure	72 433	117 571	68 466	65 746	62 714	56 926	51 972	82 310	112 164
Sanitation Infrastructure	349 145	324 757	646 914	930 149	712 555	722 024	898 995	759 003	1 266 367
Solid Waste Infrastructure	13 115	12 233	75 204	61 724	64 225	55 112	50 949	62 227	13 674
Coastal Infrastructure	458	496	1 222	28 580	8 973	8 873	42 421	100 701	92 600
Information and Communication Infrastructure	–	–	17 314	15 954	14 835	14 241	66 043	36 807	49 701
Infrastructure	716 692	679 139	1 108 227	1 437 592	1 050 812	1 028 088	1 552 909	1 694 819	2 340 072
Community Facilities	128 224	152 533	155 707	278 183	207 988	206 462	179 248	191 330	184 201
Sport and Recreation Facilities	46 666	86 550	97 737	343 091	333 342	311 141	74 766	44 986	40 689
Community Assets	174 890	239 082	253 443	621 273	541 330	517 602	254 014	236 315	224 889
Heritage Assets	7 580	1 293	17	17 466	32 038	32 038	–	–	–
Operational Buildings	207 604	187 922	240 895	381 565	281 277	251 425	283 148	383 205	620 233
Housing	80 226	37 201	49 961	9 050	17 144	17 144	1 203	–	–
Other Assets	287 830	225 124	290 856	390 615	298 421	268 570	284 351	383 205	620 233
Licences and Rights	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Intangible Assets	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Computer Equipment	13 072	225	13 134	34 200	25 559	16 033	49 811	22 318	36 380
Furniture and Office Equipment	12 534	11 048	13 813	6 277	6 902	6 383	300	300	990
Machinery and Equipment	1 616	10 234	4 322	9 623	6 004	5 509	1 000	3 000	5 000
Total Capital Expenditure	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119
Roads Infrastructure	895 854	889 359	883 795	1 794 756	860 485	802 151	2 230 708	2 136 579	1 744 923
Storm water Infrastructure	146 349	131 027	164 315	309 742	166 332	173 774	291 665	374 324	375 198
Electrical Infrastructure	856 928	661 410	482 052	919 891	729 943	699 171	876 615	1 055 552	1 348 087
Water Supply Infrastructure	921 723	881 896	968 864	1 035 716	1 111 466	1 110 729	867 969	927 372	1 326 958
Sanitation Infrastructure	556 621	644 555	995 738	1 717 083	1 298 810	1 306 086	1 458 361	1 869 482	3 371 120
Solid Waste Infrastructure	78 403	25 755	136 278	462 025	323 616	280 450	427 709	290 929	391 116
Coastal Infrastructure	5 129	496	1 222	29 344	9 309	9 209	44 421	109 345	92 600
Information and Communication Infrastructure	162 566	73 576	42 285	72 886	54 281	55 687	131 168	145 721	262 038
Infrastructure	3 623 572	3 308 076	3 674 548	6 341 442	4 554 241	4 437 257	6 328 616	6 909 303	8 912 039
Community Facilities	353 065	451 187	369 539	536 685	457 547	462 812	453 952	519 096	516 767
Sport and Recreation Facilities	48 253	87 084	98 395	346 026	345 598	322 242	85 266	44 986	40 689
Community Assets	401 318	538 271	467 934	882 710	803 145	785 053	539 218	564 082	557 456
Heritage Assets	8 010	6 367	1 005	18 753	32 970	32 970	744	1 550	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	438 901	288 600	354 454	747 545	421 122	372 468	419 225	504 650	826 224
Housing	108 502	106 035	184 870	171 725	163 422	144 049	69 898	127 410	135 487
Other Assets	547 403	394 635	539 324	919 270	584 545	516 517	489 123	632 060	961 711
Licences and Rights	14 707	44 353	46 681	73 865	64 805	74 480	41 560	259 566	223 859
Intangible Assets	14 707	44 353	46 681	73 865	64 805	74 480	41 560	259 566	223 859
Computer Equipment	304 842	246 732	208 426	288 606	309 227	279 102	204 059	144 381	140 436
Furniture and Office Equipment	133 534	132 278	149 414	193 581	227 034	215 895	174 039	115 486	105 730
Machinery and Equipment	198 277	109 962	62 321	127 379	87 810	95 064	130 015	125 505	117 372
Transport Assets	370 443	530 458	782 372	727 267	690 958	682 709	386 393	342 716	443 851
Land	1 511	5 157	38 644	33 000	21 162	21 162	21 000	15 900	13 664
TOTAL CAPITAL EXPENDITURE - Asset class	5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119

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Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
ASSET REGISTER SUMMARY - PPE (WDV)	44 463 379	46 989 651	50 273 369	56 627 881	54 798 400	54 798 400	60 099 326	66 144 216	74 441 718
<i>Roads Infrastructure</i>	9 038 537	9 498 494	9 887 288	11 637 380	10 324 008	10 324 008	12 084 118	13 724 587	14 952 887
<i>Storm water Infrastructure</i>	765 168	890 174	984 602	1 226 717	1 093 609	1 093 609	1 326 664	1 642 048	1 955 338
<i>Electrical Infrastructure</i>	7 076 484	7 421 931	7 773 701	8 335 223	8 254 122	8 254 122	8 867 626	9 645 555	10 709 949
<i>Water Supply Infrastructure</i>	2 948 124	3 885 066	4 639 021	5 259 875	5 586 709	5 586 709	6 269 908	6 996 963	8 106 545
<i>Sanitation Infrastructure</i>	3 259 714	3 406 106	3 538 615	5 564 635	4 681 156	4 681 156	5 974 736	7 661 962	10 846 916
<i>Solid Waste Infrastructure</i>	466 031	534 135	521 723	1 067 505	808 888	808 888	1 202 467	1 455 363	1 790 863
<i>Coastal Infrastructure</i>	117 984	148 977	143 782	168 029	147 398	147 398	186 089	289 126	373 053
<i>Information and Communication Infrastructure</i>	3 810 497	3 997 604	4 761 803	3 979 070	4 736 403	4 736 403	4 781 956	4 839 466	5 011 473
Infrastructure	27 482 539	29 782 489	32 250 535	37 238 434	35 632 291	35 632 291	40 693 563	46 255 069	53 747 025
Community Assets	6 271 699	6 244 428	6 179 196	6 859 610	6 657 486	6 657 486	6 816 275	6 990 272	7 145 473
Heritage Assets	8 891	10 280	10 269	10 280	10 269	10 269	10 269	10 269	10 269
Investment properties	584 713	582 962	581 247	579 534	579 533	579 533	577 820	576 106	574 392
Other Assets	5 213 603	5 116 851	4 747 938	6 147 824	5 051 232	5 051 232	5 245 928	5 558 452	6 165 297
Intangible Assets	716 040	693 178	599 678	506 711	501 157	501 157	401 091	555 420	684 435
Computer Equipment	586 327	593 657	572 357	635 029	651 830	651 830	633 916	575 642	524 290
Furniture and Office Equipment	351 339	338 363	356 140	469 108	474 195	474 195	532 357	538 741	529 524
Machinery and Equipment	507 179	544 245	526 554	495 671	484 105	484 105	479 284	473 276	462 072
Transport Assets	1 718 576	2 060 727	3 329 467	2 661 097	3 637 651	3 637 651	3 592 371	3 501 815	3 499 321
Land	1 022 473	1 022 473	1 119 988	1 024 585	1 118 650	1 118 650	1 116 456	1 109 155	1 099 621
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	44 463 379	46 989 651	50 273 369	56 627 881	54 798 400	54 798 400	60 099 326	66 144 216	74 441 718
EXPENDITURE OTHER ITEMS	6 387 316	6 612 407	6 632 339	7 875 466	6 925 305	6 926 894	7 266 740	7 487 067	7 786 422
Depreciation	2 577 251	2 832 012	2 924 066	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630
Repairs and Maintenance by Asset Class	3 810 065	3 780 395	3 708 274	4 575 398	4 074 439	4 076 028	4 252 885	4 421 396	4 607 792
<i>Roads Infrastructure</i>	588 798	596 375	555 000	756 245	584 660	584 660	637 154	666 464	696 456
<i>Storm water Infrastructure</i>	—	—	—	126 779	92 428	92 428	140 345	146 801	153 408
<i>Electrical Infrastructure</i>	484 296	507 109	474 450	518 758	519 720	519 720	542 654	567 553	593 043
<i>Water Supply Infrastructure</i>	487 625	400 456	389 894	346 775	340 310	339 019	411 499	430 425	449 789
<i>Sanitation Infrastructure</i>	437 208	384 042	437 293	316 303	329 747	328 288	334 708	350 104	365 854
<i>Solid Waste Infrastructure</i>	2 553	1 728	1 384	7 281	9 119	9 119	8 653	9 051	9 458
<i>Coastal Infrastructure</i>	—	—	—	2 150	5 094	5 094	3 994	3 994	3 994
Infrastructure	2 000 480	1 889 711	1 858 022	2 074 290	1 881 078	1 878 328	2 079 007	2 174 391	2 272 002
<i>Community Facilities</i>	117 431	120 476	116 996	699 726	361 728	367 237	228 329	236 351	244 524
<i>Sport and Recreation Facilities</i>	379 229	363 389	361 851	60 013	71 392	71 392	67 613	70 715	73 890
Community Assets	496 660	483 865	478 847	759 739	433 120	438 629	295 941	307 066	318 414
Heritage Assets	730	266	219	2 666	5 229	5 246	1 912	1 941	1 971
<i>Revenue Generating</i>	229	132	57	338	271	271	10 096	10 550	11 014
<i>Non-revenue Generating</i>	20 497	3 328	152	17	9	9	11	11	11
Investment properties	20 726	3 459	209	355	280	280	10 107	10 561	11 025
<i>Operational Buildings</i>	143 284	161 132	125 817	225 448	277 419	272 776	189 833	194 580	200 475
<i>Housing</i>	—	—	—	2 937	12 907	12 907	14 990	14 990	14 990
Other Assets	143 284	161 132	125 817	228 385	290 326	285 683	204 823	209 570	215 466
Computer Equipment	246 521	214 045	159 862	458 620	377 932	380 516	427 869	432 191	449 123
Furniture and Office Equipment	430 696	557 451	690 643	569 056	683 121	683 995	770 057	801 511	834 041
Machinery and Equipment	—	—	—	2 512	2 665	2 665	2 069	2 159	2 252
Transport Assets	470 969	470 466	394 655	479 775	400 687	400 687	461 100	482 006	503 500
TOTAL EXPENDITURE OTHER ITEMS	6 387 316	6 612 407	6 632 339	7 875 466	6 925 305	6 926 894	7 266 740	7 487 067	7 786 422
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	<i>48.9%</i>	<i>50.6%</i>	<i>57.0%</i>	<i>51.3%</i>	<i>54.9%</i>	<i>54.7%</i>	<i>49.0%</i>	<i>50.8%</i>	<i>55.6%</i>
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	<i>106.3%</i>	<i>94.9%</i>	<i>116.3%</i>	<i>149.4%</i>	<i>142.1%</i>	<i>137.1%</i>	<i>135.2%</i>	<i>150.9%</i>	<i>200.7%</i>
<i>R&M as a % of PPE</i>	<i>8.8%</i>	<i>8.3%</i>	<i>7.6%</i>	<i>8.2%</i>	<i>7.6%</i>	<i>7.6%</i>	<i>7.2%</i>	<i>6.8%</i>	<i>6.3%</i>
<i>Renewal and upgrading and R&M as a % of PPE</i>	<i>15.0%</i>	<i>14.0%</i>	<i>14.0%</i>	<i>17.0%</i>	<i>15.0%</i>	<i>15.0%</i>	<i>14.0%</i>	<i>14.0%</i>	<i>15.0%</i>

Explanatory notes to Table A9 – Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. The following chart provides an analysis between depreciation (including capital asset impairment) and operational repairs and maintenance over the MTREF. It highlights the City's strategy to address the maintenance backlog. To ensure compliance the City will embark on an asset creation project which will be finalised over a couple of years.

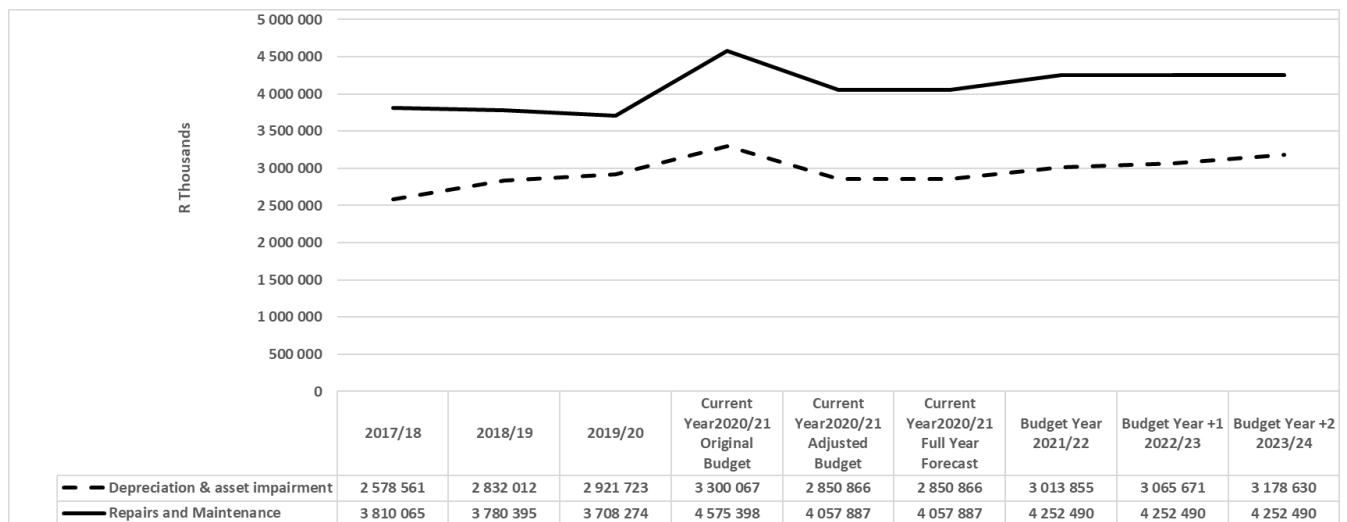


Figure 5 Depreciation in relation to repairs and maintenance for previous years and over the MTREF

Table 31 - MBRR Table A10 - Basic Service Delivery Measurement

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets									
<u>Water:</u>									
Piped water inside dwelling	1 132 666	1 190 854	1 214 760	1 256 146	1 256 146	1 256 146	1 310 286	1 334 999	1 359 469
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	157 038	165 105	168 419	174 157	174 157	174 157	181 663	185 090	188 482
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
<u>Sanitation/sewerage:</u>									
Flush toilet (connected to sewerage)	1 211 917	1 263 952	1 285 080	1 331 819	1 331 819	1 331 819	1 384 841	1 409 654	1 434 124
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	30 575	32 185	35 120	34 020	34 020	34 020	62 330	62 330	62 330
Pit toilet (ventilated)	197	197	197	197	197	197	197	197	197
Other toilet provisions (> min.service level)	46 798	59 553	62 633	64 267	64 267	64 267	44 581	47 908	51 300
<i>Minimum Service Level and Above sub-total</i>	1 289 487	1 355 887	1 383 030	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Bucket toilet	217	72	149	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	217	72	149	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
<u>Energy:</u>									
Electricity (at least min.service level)	828 552	841 791	883 767	844 791	844 791	844 791	883 767	883 767	883 767
Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	828 552	841 791	883 767	844 791	844 791	844 791	883 767	883 767	883 767
Electricity (< min.service level)	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Total number of households	862 118	872 917	912 897	872 917	872 917	872 917	909 897	908 397	906 897
<u>Refuse:</u>									
Removed at least once a week	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
<i>Minimum Service Level and Above sub-total</i>	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
<u>Households receiving Free Basic Service</u>									
Water (6 kilolitres per household per month)	231 793	267 325	270 025	253 851	253 851	253 851	250 413	250 413	250 413
Sanitation (free minimum level service)	255 733	267 325	270 025	253 851	253 851	253 851	250 413	250 413	250 413
Electricity/other energy (50kwh per household per month)	195 564	183 070	166 389	183 070	183 070	183 070	184 570	186 070	187 570
Refuse (removed at least once a week)	317 665	304 437	310 526	257 328	257 328	257 328	270 056	275 457	280 966

Table continues on next page

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	314 306	368 203	449 106	408 131	408 131	408 131	441 368	463 436	486 608
Sanitation (free sanitation service to indigent households)	178 254	233 221	232 446	251 148	251 148	251 148	295 201	309 961	325 459
Electricity/other energy (50kwh per indigent household per month)	160 638	125 999	125 999	133 559	106 000	106 000	119 430	137 344	157 946
Refuse (removed once a week for indigent households)	276 709	280 000	287 133	220 282	313 332	313 332	311 132	317 354	323 701
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	472 874	534 234	612 579	699 470	746 425	746 425	1 186 904	1 256 954	1 332 408
Total cost of FBS provided	1 402 781	1 541 657	1 707 262	1 712 590	1 825 037	1 825 037	2 354 034	2 485 049	2 626 123
Highest level of free service provided per household									
Property rates (R value threshold)	–	–	–	285 000	285 000	285 000	285 000	285 000	285 000
Water (kilolitres per household per month)	6	6	11	11	11	11	11	11	11
Sanitation (kilolitres per household per month)	4	4	7	7	7	7	7	7	7
Sanitation (Rand per household per month)	–	–	–	–	–	–	–	–	–
Electricity (kwh per household per month)	60	60	60	60	60	60	60	60	60
Refuse (average litres per week)	240	240	240	240	240	240	240	240	240
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	1 357 933	1 450 216	1 191 840	1 241 212	1 267 500	1 267 500	1 358 195	1 426 105	1 527 786
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	29 133	28 319	41 885	30 904	30 904	30 904	31 679	33 137	34 628
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	1 387 066	1 478 535	1 233 725	1 272 116	1 298 404	1 298 404	1 389 874	1 459 241	1 562 414

Explanatory notes to Table A10 – Basic Service Delivery Measurement

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
- The City is persistently striving to eradicate backlogs. The City's backlog status are as follows:
 - Water services: Cape Town's population, both formal and informal settlements, receives potable water in accordance with the National minimum standards as required by the Water Services Act 108 (of 1997).
 - Sanitation services: Cape Town's population, both formal and informal settlements, receives sanitation services in accordance with the National minimum standards. Funding is still provided to further improve the service levels in Informal Settlements in line with the City's strategy.
 - Electricity services: The electrification strategy is to reduce the backlog by 1 500 annually over the 2021/22 MTREF.
 - Refuse services: This service does not have any backlogs.
- The associated cost of providing free basic services is projected to escalate from R2 354 million in 2021/22 to R2 626 million in 2023/24.
- The following assumptions are applied when determining the number of households per service:
 - Water & Sanitation: The number of households is based on the StatsSA 2020 Mid-Year Estimates.
 - Energy: The City supplies only part of the Metro and provides electricity connections irrespective of the number of households.
 - Refuse: The number of households is based on a formal property count of the actual number of households that requests this service.

Part 2 – Supporting Documentation

2.1 Overview of annual budget process

2.1.1 Mayoral oversight and responsibility

Section 53 of the MFMA requires the mayor of a municipality to provide general political guidance over the budget process and the priorities that guide the preparation of the budget.

In addition, Regulation 4 of the Municipal Budget and Reporting Regulations (MBRR) states that:

- 1) *The mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.*
- 2) *The steering committee must consist of at least the following persons:*
 - a) *the councillor responsible for financial matters;*
 - b) *the municipal manager;*
 - c) *the chief financial officer;*
 - d) *the senior managers responsible for at least the three largest votes in the municipality;*
 - e) *the manager responsible for budgeting;*
 - f) *the manager responsible for planning; and*
 - g) *any technical experts on infrastructure.*

The City has an established Budget Steering Committee (BSC) that embodies all the requirements as set out in the MFMA and MBRR. In addition, the City established a Budget Strategy Committee (BSM) whose purpose is to provide strategic guidance and ensure that the budget is aligned to the City's strategies.

2.1.2 Budget process overview

Section 21 of the MFMA requires the Mayor to table a time schedule, which sets out the process to draft the IDP and prepare the budget, ten months before the start of the new financial year. The 2021/22 IDP- and Budget Time Schedule was adopted by Council on 27 May 2020.

The City's annual Strategic Management Framework's (SMF) process informs planning over the next financial year and helps ensure delivery on the strategic objectives set out in the IDP.

The three-pronged approach of the SMF process commenced with the Strategic Review in August 2020 followed by the Operational- and Item Review. The Strategic Review provided an opportunity to consider critical issues that may affect the organisation over the MTREF and laid out important priorities, which inform the planning imperatives over the MTREF. Following the Strategic Review engagement, the City Manager issued the Strategic Brief to be considered in preparation of the MTREF as follows:

- Implement the IDP;
- Implement the Municipal Strategic Development Framework (MSDF);
- Implement the Water Strategy;
- Maintain assets;
- Protect existing infrastructure and staff to ensure service delivery;
- Develop a transversal approach to address violent crime and social challenges;
- Improving service delivery by addressing implementation challenges; and
- Implementing the resilience strategy.

The timeline below sets out the processes followed in preparation of the 2021/22 MTREF.

May 2020

- Tabling of 2021/22 IDP and Budget Time Schedule at Council.

July - September 2020

- The first Budget Steering Committee (BSC), Budget Strategy Committee (BSM) and SMF Strategic Review took place in August 2020.
- The Executive Mayor and the City Manager issued a strategic brief to Executive Directors and Mayoral Committee (MayCo) members at the end of August 2020 in preparation of the SMF Operational Review.
- Various finance technical sessions to formulate proposals in achieving a realistic, deliverable and affordable MTREF (included for reviewing the borrowing strategy and initiatives to reduce revenue parameters) took place from July to September 2020.
- Budget consultation with subcouncils – a report was submitted to the September cycle of subcouncil meetings. Requirements stemming from subcouncils were submitted to line departments for consideration.

October - December 2020

- SMF Operational Review took place in October 2020 - Executive Directors presented their operational budget proposals and alignment to strategy in responding to the Strategic Brief.
- Presentations to the BSC included an updated LTFP modelled scenario; technical assessment of the outcome of the 2019/20 financial year, impact of COVID-19 pandemic and its influence on the 2021/22 MTREF; and the outcome and impact of Operational Review budget proposals.
- Presentations by Trading Services (Water & Sanitation, Energy and Solid Waste) to BSC and BSM on proposed financial plans and tariffs.
- Iterative interactions with BSC and BSM. Refinements of the LTFP model to ensure a credible, affordable and sustainable budget over the medium term and presentation of parameters and assumptions for endorsements.
- Project Readiness Assessment on proposed capital budget (SMF Item Review) concluded in December 2020.

January and February 2021

- Presentation of proposed rates and tariffs and the outcome of the Total Municipal Account (TMA) i.e. the impact of the proposed tariffs on the consumer to BSC.
- Prepare detailed operating- and capital budgets.

March to May 2021

- Draft 2021/22 operating- and capital budget, and IDP review tabled at Council on 31 March 2021.
- The budget, IDP and tariff proposals was published for comment and consultation as part of the public participation process from 1 April to 3 May 2021.
- Comments received as a result of the public participation process to be submitted to the MayCo for consideration.
- The 2021/22 SIME / LGMTEC engagement took place on the 23 April 2021.
- The National Treasury 2022 Municipal Benchmark Engagement took place on 28 April 2021.
- 2021/22 MTREF budget, IDP review and BEPP scheduled for consideration and adoption by Council on 26 May 2021.

- Comments received as a result of the public participation process to be submitted to the MayCo for consideration.
- National Treasury 2022 Municipal Benchmark Engagement scheduled for 28 April 2021.
- 2021/22 MTREF budget, IDP review and BEPP scheduled for consideration and adoption by Council on 26 May 2021.

2.1.3 Integrated Development Plan (IDP)

The City's IDP is its principal strategic planning instrument, which guides and informs its on-going planning, management and development actions. The IDP represents the City administration's commitment to exercise its executive authority. This 5-Year (2017/18 – 2021/22) Term of Office Plan, is in line with National- and Provincial government legislation and is effectively the local government's blueprint by which it strives to realise its vision for Cape Town in the short-, medium- and long term.

The 5-Year (2017/18 – 2021/22) Term of Office IDP was developed in line with the Term of Office IDP Process Plan.

Section 34(a) of the Municipal Systems Act (MSA) requires a municipal council to review its IDP:

- i) annually, in accordance with an assessment of its performance measurements;*
- ii) and to the extent that changing circumstances so demand.*

Section 34(b) of the MSA states that a municipal council may amend its IDP in accordance with the prescribed process.

The prescribed process for amending an IDP is contained in Section 3 of the Municipal Planning and Performance Management Regulations, 2001. The main steps in the process are:

- i) Only a member or committee of a municipal council may introduce a proposal for amending the IDP;
- ii) Any proposal for amending the IDP must be accompanied by a memorandum setting out the reasons for the proposal;
- iii) The proposed amendment must be published for public comment for a minimum period of 21 days; and
- iv) An amendment to the IDP is adopted by a decision taken by a municipal council in accordance with the rules and orders of council.

Key amendments to the IDP

Proposed amendments are aimed to accommodate emerging strategic changes from the IDP in order to support and strengthen the approved strategic direction and narrative of the IDP. The proposed amendments are summarised under the following areas.

- Existing contextual analysis;
- List of indicators aligned with national indicators;
- Implementation Plan;
- Corporate Scorecard and definitions;
- Entities Scorecard and definitions; and
- IDP Statutory, Strategic and Operational Plans.

Annexure 20 to this document contains the proposed amendments to the 2017-2022 approved IDP for 2021/22.

2.2 Overview of alignment of annual budget with Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP)

The City's priority objectives are set out in its IDP, which provides the strategic framework that guides the City's planning and budgeting over the course of the 5-year political term.

To this extent, the IDP consists of two main parts, being (a) a strategic plan, which contains the longer term strategic vision, priorities and narrative as well as (b) an implementation plan, which focuses only on key strategic programmes, projects and initiatives that will support the achievement of the priorities through the 5-year term of office.

The City's 5 Strategic Focus Areas (SFA) or pillars are unpacked into 11 priorities (transformed into 11 objectives), which are broken down into programmes and projects that are underpinned by the budget.

This realistic and sound budget supports the credibility of the process. Resources are allocated firstly through budget prioritisation at a corporate level and pulled through to the directorate/department business plans.

The Corporate Scorecard is the strategic tool used by the City and the community to monitor progress against delivery. The five-year corporate scorecard contains annual targets and forms part of the IDP.

The one-year corporate scorecard which contains quarterly targets forms part of the corporate SDBIP and sets out how the City intends spending their budget for the financial year.

2.2.1 Service Delivery and Budget Implementation Plan (SDBIP)

The Corporate SDBIP Book combines and sets out the various components in the format required by National Treasury. It includes the City's one-year corporate scorecard as well as the municipal entities' scorecards.

These scorecards reflect the measurable performance indicators for quarterly- and annual targets.

The corporate SDBIP has several components:

- one-year corporate scorecard for the City;
- Cape Town Stadium scorecard; and
- Cape Town International Convention Centre (CTICC) scorecard.

The balance of the components of the City's SDBIP (i.e. revenue to be collected, by source and operating- and capital expenditure by vote) includes projections for each month and are presented in MBRR table SA25 on page 124, table SA26 on page 126 and table SA28 on page 129.

The entities' scorecards are disclosed in terms of section 93B(a) and (b) and 93C (iv) and (v) of the Municipal Systems Act (MSA) and section 87(5)(d) of the MFMA.

Detailed departmental SDBIPs are published on the City's website and may be accessed at www.capetown.gov.za.

The vision of the City

The vision of the City is to be an opportunity city that creates an enabling environment for economic growth and job creation, and to provide assistance to those who need it most; to deliver quality services to all residents; and to serve the citizens of Cape Town as a well-governed and corruption free administration.

In pursuit of this vision, the City's mission is as follows:

- To contribute actively to the development of the environment, and its human- and social capital;
- To offer high-quality services to all who live in, do business in or visit Cape Town; and
- To be known for as an efficient, effective and caring government.

The budget is allocated against the five SFA at a corporate level. This visionary framework is rolled out into objectives, key performance indicators (KPI) and targets for implementation. These are then broken down into the SDBIP that reflects the detailed projects. Each of these projects is allocated budgetary and other resources.

The figure below visually represents the link between the IDP and budget, and demonstrates how corporate strategy is cascaded through the organisation, and how it influences and shapes the operating- and capital budget of the City's directorates/departments.

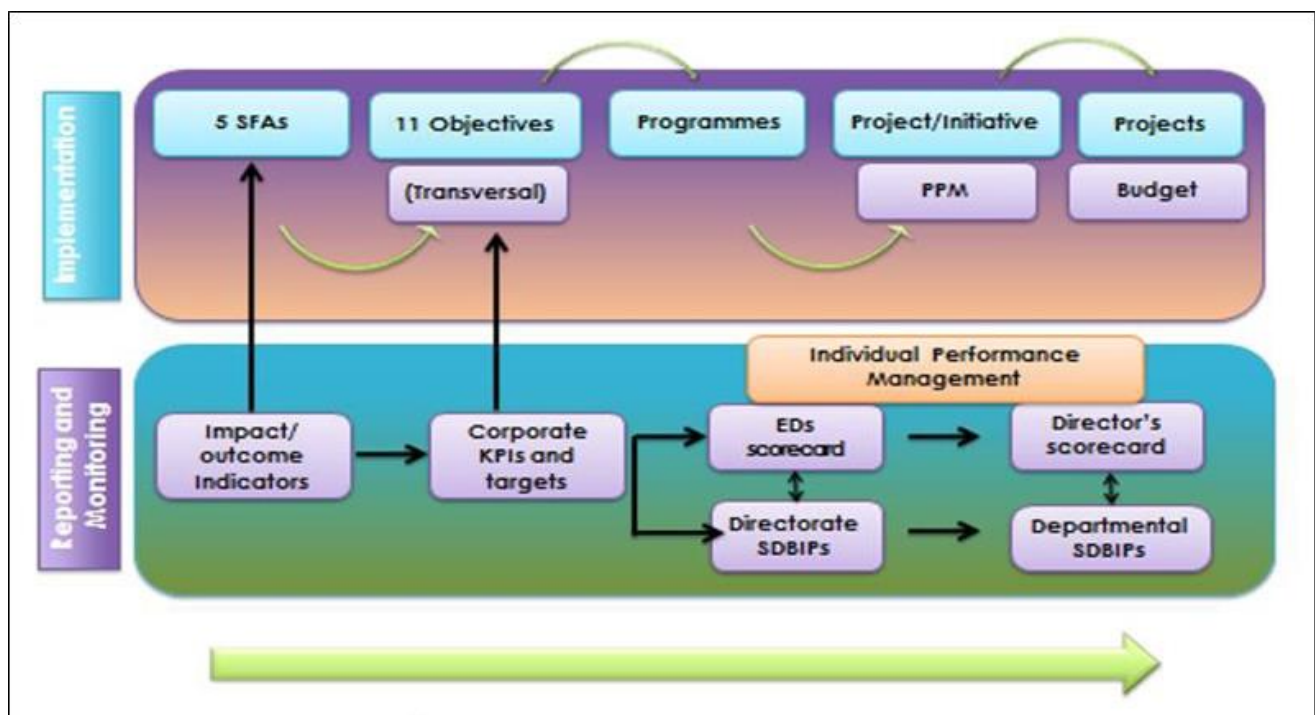


Figure 6 IDP and Budget link

The tables below provide details on the reconciliation between the IDP strategic objectives, the operating revenue and expenditure and the capital expenditure budget.

Table 32 - MBRR Table SA4 - Reconciliation between the IDP strategic objective and budgeted revenue

Strategic Objective	Goal	Goal Code	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Opportunity City	Position Cape Town as globally competitive City	1.1	396 783	288 352	316 462	388 645	341 460	341 460	2 375 611	2 363 592	2 346 311
	Leveraging Technology for Progress	1.2	23 690	18 014	15 272	16 178	14 922	14 922	15 385	16 093	16 817
	Economic Inclusion	1.3	125	14	4	–	–	–	–	–	–
	Resource Efficiency and Security	1.4	8 633	42 040	53 936	44 639	52 542	52 542	44 729	11 720	11 621
Safe City	Safe Communities	2.1	1 504 355	1 392 978	1 445 612	1 591 149	1 703 483	1 703 483	1 703 026	1 757 542	1 363 988
Caring City	Excellence in Basic Service delivery	3.1	18 541 008	20 359 387	21 369 721	21 149 697	21 202 479	21 202 479	23 585 765	26 037 720	28 633 951
	Basic service to informal settlements and backyarders	3.2	47 665	47 823	146 805	10 111	254 647	254 647	126 659	49 619	70 124
Inclusive City	Dense_Transit Orientated Growth and Development	4.1	6 012	7 604	1 247	25 822	45 839	45 839	50 864	44 039	35 183
	An Efficient Integrated Transport System	4.2	599 497	675 155	695 061	823 825	765 547	765 547	719 833	684 052	684 727
	Building Integrated Communities	4.3	634 691	706 133	727 090	771 625	981 339	981 339	804 041	843 087	839 708
Well-Run City	Operational sustainability	5.1	14 836 324	16 460 487	17 458 035	17 403 427	17 486 057	17 486 057	18 083 687	19 013 796	19 627 447
Total Revenue (excluding capital transfers and contributions)			36 598 784	39 997 986	42 229 246	42 225 117	42 848 316	42 848 316	47 509 600	50 821 260	53 629 876

Table 33 - MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Opportunity City	Position CT as globally competitive City	1.1	4 720 167	5 278 500	5 834 759	6 090 102	6 239 915	6 242 999	8 588 834	8 673 808	8 922 369
	Leveraging Technology for Progress	1.2	616 571	617 632	464 683	513 296	532 695	532 695	563 055	604 430	706 613
	Economic Inclusion	1.3	42 987	52 437	41 115	82 766	73 267	74 911	79 022	82 084	85 257
	Resource Efficiency and Security	1.4	286 177	369 628	568 244	499 045	524 219	524 219	446 416	396 442	481 608
Safe City	Safe Communities	2.1	3 043 526	3 440 761	3 870 121	4 422 364	4 308 166	4 309 031	4 676 340	4 776 552	4 512 861
Caring City	Excellence in Basic Service delivery	3.1	15 853 325	16 604 074	19 467 371	21 097 575	20 352 000	20 347 946	21 941 471	23 736 694	25 632 506
	Mstr basic service to inf settl bkyard	3.2	542 545	627 900	835 975	956 458	1 058 538	1 058 457	1 160 863	1 031 468	1 065 103
Inclusive City	Dense_Transit Orientated Growth and Dev	4.1	69 095	46 821	46 041	73 313	99 242	99 242	100 575	93 869	85 466
	An Efficient Integrated Transport System	4.2	1 686 499	1 794 664	1 697 209	2 002 728	1 883 848	1 883 848	1 902 604	1 883 036	2 017 423
	Building Integrated Communities	4.3	1 630 807	2 351 784	1 543 007	1 993 793	1 990 974	1 990 063	1 903 304	1 843 226	1 893 509
Well-Run City	Operational sustainability	5.1	4 409 576	4 894 828	5 595 445	7 098 654	7 246 747	7 246 199	6 912 346	7 766 301	8 281 185
Total Expenditure			32 901 274	36 079 031	39 963 970	44 830 094	44 309 610	44 309 610	48 274 831	50 887 910	53 683 901

Table 34 - MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Opportunity City	Position CT as a fwd looking bus City	1.1	1 182 539	783 172	793 017	1 409 159	1 100 679	1 051 561	1 041 555	1 057 960	1 965 651
	Leveraging Technology for Progress	1.2	208 596	92 551	29 469	58 400	37 512	36 312	37 000	13 500	—
	Economic Inclusion	1.3	3 877	7 916	12 228	53 624	9 661	9 516	68 794	54 700	44 660
	Natural Resource and Environment Sustain	1.4	114 118	76 512	127 430	516 737	260 238	242 268	563 942	584 833	634 378
Safe City	Safe Communities	2.1	169 096	190 015	495 067	481 390	439 052	443 810	276 313	182 380	216 851
Caring City	Excellence in Basic Service Delivery	3.1	1 592 110	2 003 607	2 073 805	3 180 178	2 518 877	2 416 889	2 459 557	3 095 695	4 291 076
	Basic service to inf settlement & bkyard	3.2	351 155	308 190	411 975	556 255	527 185	523 661	580 573	639 990	805 100
Inclusive City	Dense & Transit Urban Growth and Devpmt	4.1	208 717	195 475	243 814	363 005	225 727	250 490	435 641	304 685	319 918
	Efficient, Integrated Transport System	4.2	316 615	346 178	287 644	773 970	424 040	427 759	1 023 510	1 089 498	773 584
	Building Integrated Communities	4.3	304 990	396 169	546 328	796 605	495 146	491 303	769 792	689 757	767 571
Well-run City	Operational sustainability	5.1	1 151 806	916 505	949 891	1 416 551	1 337 781	1 246 639	1 058 088	1 397 551	1 657 329
Total Capital Expenditure			5 603 619	5 316 290	5 970 668	9 605 874	7 375 897	7 140 208	8 314 767	9 110 548	11 476 119

2.3 Measurable performance objectives and indicators

The Corporate Scorecard is the strategic tool used by the community and the City to monitor progress against delivery.

The City's cycle and process of performance management system can be graphically illustrated below:

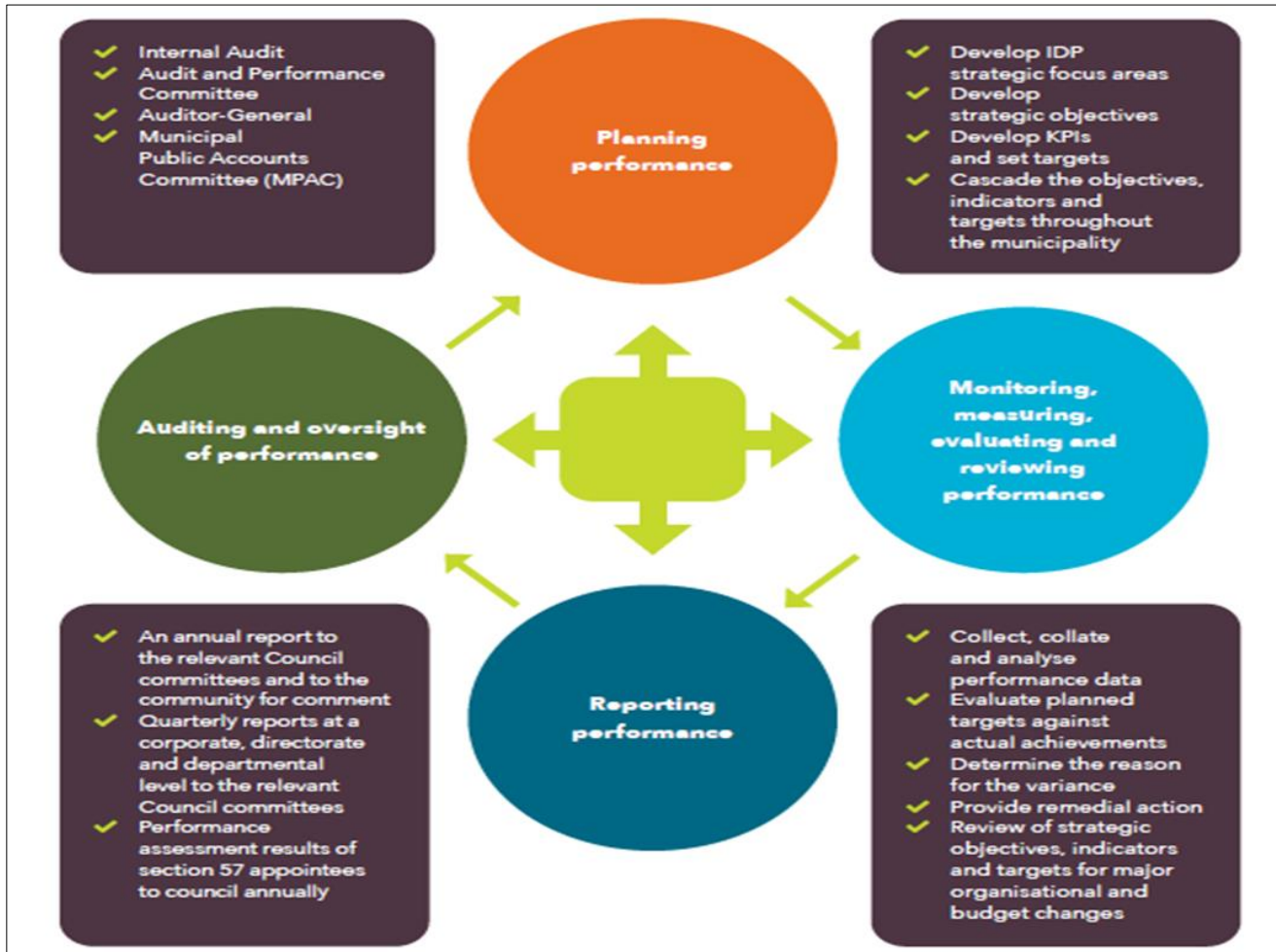


Figure 7 Planning, budgeting and reporting cycle

Planning Performance

The City must involve the community in deciding what priorities and needs it wants to achieve. Community involvement will be in line with relevant legislation and approved policy(s).

Planning ensures that clear strategic direction is set and prioritised. The IDP is developed and is set for the 5-year term of office of the elected council and reviewed annually. This is the stage where Strategic Focus Areas (SFA), objectives, performance indicators, definitions and targets are determined. Indicators measure the extent to which objectives are being achieved, indicating performance in relation to outcomes, outputs, activities and inputs. Targets set the level of performance to be achieved within a defined period of time.

The planning cycle delivers a 5-year and annually reviewed IDP (including a Five-year Corporate Scorecard with definitions and targets), annual one-year corporate (quarterly) targets, directorate and departmental SDBIP, performance indicator measurement sheets, Section 57 performance plans and individual performance assessments.

Indicators must be measurable, relevant, objective and precise. It must include outcomes, output and input indicators. National general indicators must be included. Proxy indicators will be used until auditable and cost effective systems and processes are in place to measure the national general indicators.

The components will be interlinked to ensure implementation. All the corporate objectives and indicators will cascade into a directorate and/or a departmental SDBIP and/or the City Manager's and/or Section 57 appointees' scorecards.

Monitoring, Measuring, Evaluating and Reviewing performance

Monitoring and measuring are the processes and procedures to collect, collate and analyse organisational performance data on an on-going basis to determine whether planned performance targets have been met, exceeded or not met. This takes place on a quarterly and annual basis.

The performance evaluation results are determined by regular management meetings to establish, inter alia:

- Year-to-date performance progress and reasons for variances for both under- or over performance;
- Remedial action (effective methods of correction or enhancement), if any, which need to be taken to achieve the agreed performance targets; and
- A date for implementation and responsible official.

A review of indicators and targets can take place to the extent in which changing circumstances so demand and in accordance with a prescribed process. These are limited to major organisational changes and when the annual budget is adjusted.

Reporting

The actual achievements of targets set for the objectives will be reported on a quarterly basis, where appropriate. It will form the platform for the quarterly- and annual reports on performance. Reporting performance includes an Annual Report to the relevant Council committees and to the community for comment and quarterly reports at corporate, directorate and department level to the relevant Council committees.

Auditing and Oversight

Internal Audit and the Audit Committee (including the Performance Management Committee) reviews the Organisational Performance Management (OPM) system for functionality, performance information and compliance. The Auditor General and the Municipal Public Accounts Committee (MPAC) reviews the Annual Report.

The final measurable performance indicators to be accomplished in the 2021/22 financial year will be approved as part of the Corporate SDBIP by the Executive Mayor in June 2021.

Table 35 - MBRR Table SA7 - Measureable performance objectives

Description	Unit of measurement	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
SFA 1: OPPORTUNITY CITY										
1.1. Positioning Cape Town as a forward - looking, globally competitive city										
1.A Percentage of building plans approved within 30-60 days	Percentage	97.50%	92.80%	93.00%	95.00%	95.00%	95.00%	96.00%	-	-
1.B Percentage of rates clearance certificate issued within 10 working days	Percentage	93.84%	94.61%	90.74%	93.00%	90.00%	90.00%	90.00%	-	-
1.C Number of outstanding valid applications for commercial electricity services expressed as a percentage of commercial customers	Percentage	0.59%	0.66%	0.54%	0.70%	0.70%	0.70%	0.70%	-	-
1.2. Leveraging technology for progress										
1.D Broadband Infrastructure Programme (BIP)	Programme	New	New	Business plan at the end of concept design to be approved by Council	Approved detailed design of BIP	Approved detailed design of BIP	Approved detailed design of BIP	Implementation of programme will commence in line with approved detailed design	-	-
1.3. Economic inclusion										
1.E Number of Mayoral Job Creation Programme (MJCP) opportunities created - NKPI	Number	35 145	36 910	31 871	35 500	28 000	28 000	25 000	-	-
1.F Percentage budget spent on implementation of Workplace Skills Plan (WSP) (NKPI)	Percentage	95.42%	95.58%	89.82%	95.00%	90.00%	90.00%	95.00%	-	-
1.4. Natural resources and environment environmental sustainability										
1.G Percentage compliance with drinking water quality standards	Percentage	99.11%	99.09%	99.19%	98.00%	98.00%	98.00%	98.00%	-	-
1.H Small scale embedded generation (SSEG) capacity legally installed and grid-tied measured in mega-volt ampere (MVA)	Mega-volt ampere	5.24	6.4	18.09	4.5	4.5	4.5	5	-	-
SFA 2: SAFE CITY										
2.1. Safe communities										
2.A Number of areas in which additional CCTV cameras have been installed	Number	11	9	5	5	5	5	5	-	-
2.B Community satisfaction survey (Score 1 - 5) - safety and security	Score	2.8	2.3	2.5	2.8	2.8	2.8	3	-	-

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Description	Unit of measurement	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
SFA 3: CARING CITY										
3.1. Excellence in basic service delivery										
3.A Community satisfaction survey (Score 1 - 5) - city wide	Score	2.8	2.3	2.7	2.8	2.8	2.8	3	-	-
3.B Number of outstanding valid applications for water services expressed as a percentage of total number of billings for the service (NKPI)	Percentage	0.44%	0.27%	0.23%	0.70%	0.70%	0.70%	0.70%	-	-
3.C Number of outstanding valid applications for sewerage services expressed as a percentage of total number of billings for the service (NKPI)	Percentage	0.49%	0.24%	0.29%	0.70%	0.70%	0.70%	0.70%	-	-
3.D Number of outstanding valid applications for electricity services expressed as a percentage of total number of billings for the service (NKPI)	Percentage	0.11%	0.11%	0.07%	<0.3%	<0.3%	<0.3%	<0.2%	-	-
3.E Number of outstanding valid applications for refuse collection service expressed as a percentage of total number of billings for the service (NKPI)	Percentage	0.01%	0.01%	0.00%	<0.2%	<0.2%	<0.2%	<0.1%	-	-
3.F Percentage adherence to Citywide service requests	Percentage	83.06%	87.28%	87.40%	90.00%	90.00%	90.00%	90.00%	-	-
3.G Number of human settlement opportunities (Top structures)	Number	3749	3784	2 738	4 255	2 050	2 050	2 600	-	-
3.H Number of human settlement opportunities (Formal sites serviced)	Number	4346	1 908	785	3 088	2 800	2 800	2 500	-	-
3.2. Mainstreaming basic service delivery to informal settlements and backyard dwellers										
3.I Number of water service points (taps) provided to informal settlements (NKPI)	Number	912	716	1 520	700	700	700	700	-	-
3.J Number of sanitation service points (toilets) provided to informal settlements (NKPI)	Number	4 275	3 687	2 999	2 500	2 500	2 500	2 500	-	-
3.K Percentage of Areas of Informality receiving waste removal and area cleaning services (NKPI)	Percentage	99.74%	99.74%	99.74%	99.00%	99.00%	99.00%	99.00%	-	-
3.L Number of service points (toilet and tap with hand basin) provided to backyarders	Number	408	164	428	350	350	350	400	-	-
3.M Number of electricity subsidised connections installed (NKPI)	Number	1 774	2 440	1 996	1 500	1 500	1 500	1 500	-	-
3.N Number of sites serviced in the informal settlements	Number	1 052	1 448	924	1 350	1 350	1 350	1 000	-	-
3.O Number of community services facilities within informal settlements	Number	New	New	0	2	0	0	3	-	-

Table continues on next page

Description	Unit of measurement	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
SFA 4: INCLUSIVE CITY										
4.1. Dense and transit oriented growth and development										
4.A Catalytic Land Development Programme (CLDP)	Programme	New	New	CLD programme setting out prioritised projects and subpoojects and their implementation actions	-	-	-	Planning and enablement of CLDP projects for implementation	-	-
4.2. An efficient, integrated transport system										
4.B Number of passenger journeys per kilometer operated (MyCiti)	Number	1.1	1.1	1.0	1.0	0.7	0.7	0.8	-	-
4.C Total number of passenger journeys on MyCiti	Number	18 million	17.5 million	13 276 698	16.8 million	10.2 million	10.2 million	11.7 million	-	-
4.3. Building integrated communities										
4.D Percentage of employees from the EE target (designated) groups employed in the three highest levels of management (NKPI)	Percentage	71.10%	73.05%	72.99%	75.00%	75.00%	75.00%	75.00%	-	-
4.E Number of strengthening families programmes implemented	Number	20	19	10	18	12	12	18	-	-
SFA 5: WELL-RUN CITY										
5.1. Operational sustainability										
5.A Opinion of independent rating agency	Opinion	High investment rating	High investment rating	High investment rating	High investment rating	High investment rating	High investment rating	High investment rating	-	-
5.B Opinion of the Auditor-General	Opinion	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Clean Audit	Clean Audit	Clean Audit	Clean Audit	-	-
5.C Percentage spend of capital budget (NKPI)	Percentage	73.00%	80.10%	89.00%	90.00%	90.00%	90.00%	90.00%	-	-
5.D Percentage spend on Repair and Maintenance	Percentage	99.54%	95.60%	93.31%	95.00%	95.00%	95.00%	95.00%	-	-
5.E Cash/cost coverage ratio (excluding unspent conditional grants) (NKPI)	Ratio	3.02:1	3.85:1	1.91	2:1	1.81:1	1.81:1	2:1	-	-
5.F Net Debtors to annual income (NKPI)	Percentage	21.11%	19.94%	19.44%	21.50%	21.50%	21.50%	21.50%	-	-
5.G Debt (total borrowings) to total operating revenue (NKPI)	Percentage	24.30%	22.85%	24.60%	30.00%	25.02%	25.02%	33.00%	-	-

The following table sets out the municipalities main performance indicators and benchmarks for the 2021/22 MTREF.

Table 36 - MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Borrowing Management</u>										
Credit Rating		Aaa.za	Aaa.za	-						
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.3%	3.1%	3.0%	2.7%	2.8%	2.8%	2.4%	5.8%	6.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.6%	3.4%	3.4%	3.3%	3.3%	3.3%	2.8%	6.6%	7.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	26.3%	6.1%	27.1%	37.2%	0.0%	0.0%	48.3%	73.2%	81.4%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	187.4%	130.7%	121.9%	214.2%	132.7%	132.7%	178.7%	216.2%	284.8%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	1.6	2.0	2.0	1.7	1.6	1.6	1.4	1.5	1.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.6	2.0	2.0	1.7	1.6	1.6	1.4	1.5	1.5
Liquidity Ratio	Monetary Assets/Current Liabilities	0.8	1.2	1.2	0.7	0.7	0.7	0.6	0.6	0.7
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	103.7%	105.2%	95.1%	92.4%	93.8%	96.4%	96.5%	96.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		103.7%	105.2%	95.1%	92.4%	93.8%	93.8%	96.4%	96.5%	96.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17.7%	18.0%	17.4%	19.7%	20.9%	20.9%	20.1%	20.2%	21.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	97.3%	96.0%	97.1%	97.0%	97.0%	97.0%	97.0%	97.0%	97.0%
Creditors to Cash and Investments		78.7%	52.4%	48.6%	74.1%	76.4%	76.4%	69.5%	64.6%	58.5%

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Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	1 028 785 537	1 012 317 214	895 681 043	895 681 043	895 681 043	895 681 043	895 681 043	895 681 043	895 681 043
	Total Cost of Losses (Rand '000)	843 923	883 955	905 443	977 879	977 879	977 879	1 124 561	1 293 245	1 487 232
	% Volume (units purchased and generated less units sold)/units purchased and generated	10.72%	10.67%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%	9.73%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	51 131 888	61 254 982	69 259 740	69 893 617	76 017 393	76 017 393	79 692 567	79 692 567	79 692 567
	Total Cost of Losses (Rand '000)	299 803	616 734	605 330	610 870	664 392	664 392	680 574	714 603	750 333
	% Volume (units purchased and generated less units sold)/units purchased and generated	24.42%	29.71%	28.50%	29.54%	29.60%	29.60%	29.88%	29.88%	29.88%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.5%	30.7%	30.1%	36.0%	34.7%	34.7%	32.9%	31.9%	31.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30.0%	31.2%	30.6%	36.5%	35.2%	35.2%	33.2%	32.3%	31.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	10.4%	9.4%	8.7%	10.8%	9.5%	9.5%	9.0%	8.7%	8.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.1%	8.9%	8.8%	9.8%	8.6%	8.6%	8.0%	8.6%	8.7%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	16.9	16.3	28.6	27.2	27.2	27.2	16.2	15.6	16.7
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	24.1%	24.3%	24.1%	27.0%	29.1%	29.1%	28.3%	28.0%	28.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.4	3.3	3.3	1.5	1.8	1.8	1.5	1.7	1.8

2.3.1 Performance indicators and benchmarks

2.3.1.1 *Borrowing Management*

The City needs a credit rating to demonstrate its ability to meet its short- and long-term financial obligations. Potential lenders also use it to assess the City's credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework.

On 1 December 2020, Moody's Investors Service provided an update to the City's credit opinion. The City's global scale rating was downgraded in light of a downgrade of the credit rating of the sovereign (Republic of South Africa) while its national scale rating as well as its negative outlook were confirmed.

The City's national scale rating is currently Aaa.za/P-1.za, which reflects the City's credit profile of strong financial performance supported by prudent financial management, a large and diverse economic profile and predictable sources of revenue from property taxes and service charges. The City has consistently generated operating surplus, strong liquidity compared with that of its peers in South Africa and low debt. The City's credit profile is constrained by the capital spending pressure arising from infrastructure backlogs and population growth. It is further constrained by the impact of the COVID-19 pandemic and low economic growth.

The financial performance indicators below have formed part of the compilation of the 2021/22 MTREF:

- Capital charges to operating expenditure is the measure of the cost of borrowing in relation to the operating expenditure. This ratio averages 4.9% over the 2021/22 MTREF, which indicates that the City spends an average of 4.9% of its operating expenditure budget annually on finance charges. This is below the National Treasury norm of 6 to 8%.
- Borrowing funding as a ratio of own capital expenditure reflects the degree to which own capital expenditure (excluding government grants and public contributions) has been funded by way of borrowing. The ratio shows 67.6% over the MTREF, which is as a result of the City's borrowing strategy and funding requirements.

2.3.1.2 *Safety of Capital*

The gearing ratio is a measure of the total long term borrowings over funds and reserves. The City does not agree with the methodology applied to calculate this ratio. The preferred calculation is borrowing less cash and bank balances, divided by community wealth/equity, of which the City's outcome for the 2021/22 financial year is 1.6%. The low gearing ratio shows that the City has a small proportion of debt versus equity.

2.3.1.3 *Liquidity*

- The current ratio is used to assess the City's ability to pay back its short-term liabilities (debt and payables) with short-term assets (cash, inventory, receivables). According to National Treasury circular 71 the higher the current ratio, the more capable the municipality will be to pay its current or short-term obligations and provide for risk cover to enable it to continue operations at desired levels. It is preferable that the ratio is at least above 1. This ratio for the City averages 1.5 over the 2021/22 MTREF period.

- The liquidity ratio is a measure of the ability of the City to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Anything below 1 indicates a shortage in cash to meet creditor obligations. In this instance the City also does not agree with the methodology applied to calculate the ratio. The preferred calculation is current assets less inventory, divided by current liabilities. This ratio for the City averages 1.4 over the 2021/22 MTREF period.

2.3.1.4 Revenue Management

Debt Management action, including legal action, is carried out against debtors who can afford to pay, but choose not to, with a special focus on:

- Categorisation of accounts into high value accounts - business and residential;
- Top 1000 debtors;
- Government and State Owned Entities(SOEs) accounts; and
- Staff and councillor arrears.

The City will continue to enforce the payment of outstanding debt through effective debt management actions to those residents/businesses who have not come forward to access the City's benefits and COVID-19 relief offered. These actions may include:

- Restriction/disconnection of water/electricity services;
- Collection of all arrear debts through electricity prepaid purchases;
- Listing of property owners for adverse credit listing at relevant credit bureaus; and
- Handing over accounts to appointed attorneys to initiate legal recovery action, which could lead to a sale in execution (SIE) of the property to recover the municipal debts.

Further to the above, the City's strategy for indigent debtors are:

- Deemed indigent properties are allocated 10.5kl of water and 7.35kl sanitation for free with additional consumption billed in terms of the approved water and sanitation indigent tariffs;
- Prepaid electricity meters are installed free of charge;
- When successfully registered as indigent, a once off write-off is done of all outstanding debt; and
- Council approves the write-off of all interest charges as well as suspension of interest charges on indigent properties until the pre-paid electricity meters have been installed and applicable outstanding debts have been written off.

Debtors experiencing difficulty in paying their accounts may either enter into affordable payment arrangements or apply to be registered as indigent or apply for rates rebates. The City provides the option of an affordable payment plan for debtors to settle their arrears, where compliance with the agreed payment plan leads to the suspension of all debt management action and interest being raised, until the arrears are paid in full.

NOTING: Options are being provided to those parts of the residential and commercial sector most affected by COVID-19. This could be extended into the 2021/22 financial year - in accordance with the City's Credit Control and Debt Collection Policy and not in violation of MFMA Section 164 (1)(c)(iii).

2.3.1.5 Creditors Management

In compliance with Section 65 of the MFMA, the City has continuously managed to ensure that all its creditors are settled within 30 days of invoice or statement where goods and services are rendered timeously and in good condition. Under exceptional circumstances where services cannot be rendered on time, existing follow-up procedures and control measures are applied to ascertain reasons, thus facilitating timeous payments. These are built-in within the City's payment processes. The City also ensures that suppliers are familiar with the agreed payment terms and conditions. This remarkable service excellence is attributable to strong business relations that exist between the City and its suppliers.

2.3.1.6 Other Indicators

- Electricity distribution losses

Performance in the 2019/20 financial year has shown that electricity distribution losses was 9,73%. The City's strategy to continue to address this included the appointment of additional revenue protection teams, which when compared to the 2017/18 financial year where performance was 10.72%, has shown continued success.

- Water distribution losses

High priority is being given to a comprehensive water loss reduction strategy with detailed action plans to address each of the physical or real losses and apparent losses. The Water & Sanitation Services department is applying the resources required to implement Water Demand Management interventions. These include:

- Enhancing water loss monitoring via adequate bulk and zonal metering;
- Education and awareness programmes;
- Leak detection and repair at low income households, schools and council properties;
- Pressure Management Systems to minimise leakage in the system and reduce night flows/increasing the area covered by the management system to include previously unmanaged section;
- Pipe replacement programme (priority areas as well as alignment with the pressure management system);
- Meter Replacement programme to improve accuracy of meters.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package for indigent households is based on the blanket approach and the targeted approach. The blanket approach refers to rebates provided to indigent households based on property value of R0 to R400 000 (R500 000 for refuse removal only). The rebates reflected in the ensuing table are provided to the indigent-based property value:

Table 37 - Basic social package rebates

Property Value	Refuse Removal Charges	Water	Sanitation	Property Rates	Electricity: Lifeline 1 <250KWH	Electricity: Lifeline 2 >250KWH <450KWH
R1 to R300 000	100%	10.5kl free water	7.35kl free sanitation	100%	60kWh free	25kWh free
R300 001 – R350 000	50%	10.5kl free water	7.35kl free sanitation	-	60kWh free	25kWh free
R350 001 – R400 000	25%	10.5kl free water	7.35kl free sanitation	-	60kWh free	25kWh free
R400 001 – R500 000	25%	-	-	-	-	-

With this targeted approach any resident who is required to pay for municipal services and whose gross monthly household income is R4 500 or below needs to register as an indigent to receive the same benefits as if their property values were below R300 000.

Households with property values of up to R300 000 are entitled to:

- 100% property rates rebate;
- 100% refuse removal rebate;
- 10.5kl free water;
- 7.35kl free sanitation;
- 60kWh free electricity if consumption is less than 250kWh; and
- 25kWh free electricity if consumption is greater than 250kWh but less than 450kWh.

The number of indigents registered at the end of April 2021 was 8 400. This number varies monthly as registration is valid for 12 months after which re-application is required.

The City also offers varying rebates for residents of household income of up to R7 500 (previously R7 000). For the 2021/22 financial year this limit as well as the percentage rebate is being amended to be in line with the Rates Policy.

Property rates- and refuse rebates are granted to residents based on their gross monthly household income as follows:

<i>Current year rebate</i>		<i>2021/22 Proposed rebate</i>	
<i>Income bracket</i>	<i>Rebate %</i>	<i>Income bracket</i>	<i>Rebate %</i>
<i>R4 501 – R5 500</i>	<i>75%</i>	<i>R4 501 – R6 000</i>	<i>95%</i>
<i>R5 501 – R6 500</i>	<i>50%</i>	<i>R 6 001 – R7 500</i>	<i>90%</i>
<i>R6 501 – R7 000</i>	<i>25%</i>		

The number of beneficiaries for the current year rebate (i.e. up to income bracket R7 000) at the end of April 2021 was 74. This number is expected to increase as a result of the increased household limit from R7 000 to R7 500 as well as the increased proposed rebates.

2.3.3 Providing potable water and managing waste water

In managing the provision of drinking water and the treatment of wastewater, the City performs the dual role of Water Service Authority and Water Service Provider. It also provides bulk drinking water to adjacent local authorities namely Drakenstein Municipality and Stellenbosch Municipality.

Water Quality

As a water service provider, the City constantly strives to improve its performance with respect to water quality management. Water safety planning and risk mitigation methodologies are integrated into its management processes. Although no major corrective interventions are currently required in terms of the water safety plan, the City will constantly evaluate the need for additional risk mitigation barriers. Although provision is made in the normal budget allocations to maintain the high standards already achieved, should additional safety barriers be identified, then budgetary allocations will prioritise the associated intervention.

Major water projects included in the future capital programme are:

- Bulk Water Augmentation Scheme: It is required to augment, refurbish and maintain the City's bulk water supply system, to ensure a safe, reliable and sustainable supply of water to Cape Town and its surrounding region. The Bulk Water Augmentation Scheme includes new major reservoirs as well as a new water treatment plant and distribution bulk mains.
- Water supply Baden Powell to Khayelitsha: New bulk supply main (1000mmØ) off the existing Faure 2400mmØ pipeline to supplement the water supply to the Khayelitsha area. This will increase the supply to the area, which will accommodate the formalisation of various areas within Khayelitsha.
- Flowing from the drought, the City adopted a Water Strategy, which, inter-alia, seeks to increase water resilience through diversification of water sources. Significant capital investments are being made in Development of the Cape Flats Managed Aquifer Recharge Scheme, upgrading of the Atlantis Managed Aquifer Recharge Scheme, and development of the Table Mountain Group (TMG) Aquifer Scheme. Planning is currently underway to develop an advanced water purification plant (reuse) as well as permanent sea water desalination plants to cater for longer term growth in water demand and climatic uncertainty.

Treatment of wastewater

The City has a risk-based approach in place whereby the strategic risks to the wastewater business have been identified, rated and mitigation measures have been put in place. The plan is being implemented but there is a significant financial requirement for capacity upgrading, maintaining, rehabilitating and replacing the ageing assets to mitigate the critical risks in the Wastewater Risk Abatement Plan (WWRAP). This plan specifically relates to new license conditions imposed by the national Department of Water & Sanitation. This document is reviewed to further refine prioritisation of the risks and resource allocations.

The City has clear objectives based on a sound baseline and knowledge of their processes and technologies. The application of risk management and abatement is an integral part of the wastewater business.

Since the City received 12 Green Drops and an overall score of 89.7% for its 27 wastewater treatment systems during the 2012/13 assessment up from the 11 Green Drops awarded and the 86.8% score achieved in 2011/12, no further national Green Drop assessment have taken place. Nevertheless, in 2017, the Wastewater branch received the first SALGA award as well as one from the Regional office of the Department of Water & Sanitation (DWS)/Water Institute of SA (WISA) for water use compliance. The Branch again received an award from the DWS in 2018.

The City continues to display a strong commitment to improving wastewater treatment and strives for on-going improvement with implementation of the principles of best practice management throughout the entire workforce.

The primary problems experienced are that of ageing infrastructure, which needs to be rehabilitated or replaced, rapid population growth, maintenance of the existing assets, a shortage of relevant skills, as well as more stringent license conditions.

Additional challenges include significant financial investment requirements for:

- New infrastructure to cater for the rapidly developing city; and
- Improving the existing wastewater effluent quality.

These problems are experienced throughout South Africa and the City is addressing such challenges via recruitment of appropriate staff and training existing staff in an effort to minimise the shortage of experienced employees. The City's Water & Sanitation Services department has formulated comprehensive long term master plans (for wastewater, bulk water and the sewer and water reticulation services) and improved business processes. This allows for efficient allocation of financial resources to create new facilities with appropriate technologies and expanding as well as maintaining existing assets.

Some of the major wastewater projects are:

- Zandvliet Extension Wastewater Treatment Works (WWTW) - increase in treatment capacity;
- Bellville Extension WWTW – improvement in treatment processes;
- Potsdam Waste Water Treatment Plant (WWTP) – increase in treatment capacity
- Macassar WWTP - increase in treatment capacity;
- Borchards Quarry WWTW – improvement in treatment processes and
- Athlone WWTP - increase in treatment capacity
- Cape Flats- Southern Bio-solids Beneficiation Facility (BBF) i.e. Sludge to energy; and
- Managed Aquifer recharge – Tertiary reclamation of final effluent.

The capital budget is allocated for increased treatment capacity, process improvements and improved effluent quality. The detailed capital budget and development programme is reflected in Annexure 24 of the budget documentation.

2.4 Overview of budget related-policies

The City's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The policies listed below are the budget-related policies as specified in the MBRR.

2.4.1 Approved policies with no amendments in the 2021/22 budget cycle

The policies listed below have been approved by Council and are available on the City's website.

- Asset Management Policy (Approved February 2013)
- Borrowing Policy (Approved March 2013)
- Ward Allocation Policy (Approved January 2014)
- Supply Chain Management Policy (Approved June 2019)
- Cash Management and Investment Policy (Approved July 2018)

2.4.2 Policies amended during the 2021/22 budget cycle

The policies listed below were reviewed at the budget-related policy workshops held during the financial year and is annexed to the document for adoption.

- Rates Policy – Annexure 5
- Tariff Policies – Annexure 7
- Credit Control and Debt Collection Policy – Annexure 8
- Grants-in-Aid Policy – Annexure 9
- Policy on Accounts Payable – Annexure 10
- Funding and Reserves Policy – Annexure 11
- Virement Policy – Annexure 12
- Budget Management and Oversight Policy – Annexure 13
- Long Term Financial Plan Policy – Annexure 14
- Policy Governing Adjustments Budgets – Annexure 15
- Unforeseen and Unavoidable Expenditure Policy – Annexure 16
- Policy Governing Planning and Approval of Capital Projects – Annexure 17
- Cost Containment Policy – Annexure 18
- Municipal Entities Policy – Annexure 19

The annexures listed below provide detail to the Rates Policy (Annexure 5) and the Tariff Policies (Annexure 7) respectively.

- Property (Tax) Rates – Annexure 2
- Revised consumptive tariffs, rates and basic charges for electricity generation and distribution, water and sanitation and solid waste management services - Annexure 4
- City Improvement Districts Additional Rates – Annexure 3

2.5 Overview of budget assumptions applied to the 2021/22 MTREF

Introduction

The Local Government Municipal Systems Act, Chapter 5, Section 26, prescribes the core components of the Integrated Development Plan (IDP). Section 26 (h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and -sustainability levels of the City over the medium term.

Part 2 of the MBRR (Budget-related policies) requires the Accounting Officer to ensure that budget-related policies are prepared and submitted to Council. One of these policies relates to the long-term financial plan, which aims to ensure that all long-term financial planning is based on a structured and consistent methodology, thereby ensuring long-term financial affordability and sustainability.

A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges. The City has developed a financial model, namely the Long Term Financial Plan (LTFP), which aims to determine the appropriate mix of financial parameters and assumptions within which the City should operate to facilitate affordable and sustainable budgets for at least 10 years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the City's operating budget.

The LTFP model is reviewed annually to determine the most affordable level at which the City can operate optimally taking the following into account:

- Fiscal overview;
- Economic climate;
- Demographic trends;
- National- and Provincial influences;
- IDP and other legislative imperatives; and
- Internal governance, community consultation and service delivery trends.

The key budget assumptions of the 2021/22 MTREF include a discussion of the sources of information used to develop assumptions for revenue and expenditure, which drive the 3-year MTREF of the City under the following headings:

- Impact of the COVID-19 pandemic;
- Financial Strategic Approach;
- Financial Modelling and Key Planning Drivers;
- Economic outlook/external factors (including demographics);
- National and Provincial influences;
- Expenditure analysis – a three-year preview;
- Revenue analysis – a three-year preview; and
- Local Government Equitable Share and Fuel Levy.

2.5.1 Impact of the COVID-19 pandemic

The national lockdown declared on 23 March 2020, whereby all citizens' (except essential services) were ordered to stay home for a period of 21 days commencing at midnight on 26 March 2020, would forever be considered as the start of the devastating effect on an already vulnerable economy. As the country eased in and out of restrictions levels, in riding the first and then second wave of the COVID-19 pandemic, municipalities had to adapt to the impact of the economy on its operations and the impact of the affordability levels of its consumers.

The 2020/21 approved budget included an amended, viable financial plan (from the initial March 2020 tabled budget) over the short- to medium term, taking the variables and impacts emanating from the COVID-19 pandemic into account. To recap, changes in the approved 2020/21 budget included the provision of additional operating expenditure of R903 million, increased debt impairment provision (R1 499 million due to expected lower collection rate, reduction in revenue of R1 427 million and a reduction in operating expenditure of R1 703 million) as a result of programmes/projects envisaged not to go ahead but also reprioritisation of budgetary allocations to cover the additional requirements.

The 2020/21 budget was thus prepared with much uncertainty on how the COVID-19 pandemic would affect consumers' payment behaviour but the City has managed to maintain a high average collection ratio despite the devastating effects COVID-19 had on the economy. The collection rate outcome for the first five months of the 2020/21 financial year remained strong showing higher outcomes when compared to the budgeted collection rates. The 2020/21 budgeted collection rates for all trading services were therefore revised upwards in the adjustments budget following the mid-year review and assessment process. This upward prediction - although not at pre-COVID-19 levels and due to debt management actions resuming - followed through to the 2021/22 financial year.

The impact of the pandemic was as expected one of the determinants in the LTFP and 2021/22 MTREF and the assumption that the impact of the pandemic will be felt till the end of this financial year (2020/21) and possibly beyond based on restriction levels of possible future waves.

This impact is not necessarily by way of additional expenditure as most of the additional expenditure was provided for in the previous and current (2020/21) financial years with only R408 million carried over from the 2020/21 financial year for ongoing COVID-19 related expenditure.

In addition, an amount of R683 million reduced from directorates' budget in 2020/21 was reinstated in the 2021/22 financial year. This was part of the savings identified in the 2020/21 of R1.5 billion to cover COVID-19 related expenditure.

Economic context

The preparation of the drafting of the LTFP and subsequent MTREF commenced with a macro environmental scan of the economy as one of its determinants. The factors taken into consideration included the CPI, interest rates, exchange rates, service growth and GDP, which is briefly discussed below.

The 3rd quarter of 2020 showed an improvement in GDP with limited economic rebound, however, renewed restrictions in December 2020 as South Africa experienced its second wave of heightened infections might impact this rebound. The City's LTFP and the 2021/22 MTREF was drafted against this backdrop.

However, national government is optimistic for the current calendar year projecting real economic growth of 3.3 per cent in 2021, which is expected to moderate to 1.9 per cent in 2022 and 2023.

The currency similarly has been under severe pressure since the outset of the pandemic and South Africa in a hard lockdown with the first week in April 2020 reflecting the weakest rate at R19.26 to the US dollar. This coupled with the Moody's ratings agency downgrading the country to junk status.

Inflation for 2020, as reported by Stats South Africa with its December 2020 results, was the lowest in 16 years and the second lowest in 51 years. The average annual inflation rate for 2020 was 3.3% - the lowest since 2004 (1.4%) and the second lowest since 1969 at 3%. Annual inflation ended in December 2020 at 3.1%, slightly lower than November 2020's reading of 3.2%. 2020 also saw the inflation rate dropping below the 3% band (Reserve Bank 3%-6%) in May and June of 2020 at 2.1% and 2.2% respectively. The inflation rate in the MTREF will be discussed further in the document.

According to the Monetary Policy Committee's (MPC) January 2021 statement, the current economic and financial conditions are expected to remain volatile for the foreseeable future. Against this backdrop, the MPC decided to keep rates unchanged at 3.5% in January 2021 and projects an increase of 25 basis points in the second and third quarter of 2021. The MPC projected the year-end rate to be 4.1% for 2021, 4.9% for 2022 and 4.9% for 2023.

National influences on municipalities due to COVID-19

As national government reshuffled its finances to provide for much needed COVID-19 related requirements for social, infrastructure and local provisions, it was to be expected that this would impact on future grant allocations to municipalities. During the pandemic, additional allocations were made and the City received additional Local Government Equitable Share (LGES) as well as the approval of conversion of unspent grants to cover COVID-19 related expenditure. National government, as part of its fiscal consolidation policies aimed at reducing government deficits and debt accumulation, reduced the LGES and Fuel levy transfers to municipalities over the 2021/22 MTREF. These transfers were much lower than what was projected for the City when compared to the 2020/21 indicative allocations. This reduction in revenue received from national government was one of the major impediments in getting the City's 2021/22 MTREF to a balanced position.

The City's COVID-19 pandemic recovery plan

The City's recovery plan and focused work has been drafted on the premise that assumes that South Africa, Cape Town and the City will not simply return to normal once the pandemic has run its course. The plan would therefore enable the City to adapt and serve residents in the best way possible in a post-pandemic crisis context.

This recovery programme consisted of three phases. This in order to accommodate the emerging impacts of COVID-19 and unknowns around the duration and extent of the pandemic:

- Phase 1 - Stabilisation to run until June 2021: This refers to navigating and managing possible increases and multiple peaks of COVID-19 infections. The focus is on organisational stability (functional and financial); least disruption to service delivery, focus on efficiency (doing same/more with less), and focus on effectiveness (focusing on what matters). Investment in core services and in non-negotiable modernisation, including capital projects which support the economy, is to be defended.

- Phase 2 - Adaption - July 2021 to June 2022: The focus of this phase is to build on the efficiencies that have been gained through the stabilisation phase and making organisational/service adjustments that are not possible to implement in the 2020/21 financial year.
- Phase 3 - Rebuild/Recovery - July 2022 to June 2027: This phase covers the post COVID-19 period and new term of office IDP period and will focus on how to relieve the sustained economic and social impacts of the pandemic.

From a financial viewpoint, the three phases highlighted action to be taken in prioritising financial stability in the Stabilisation phase (until June 2021); prioritising financial sustainability in the Adaptation stage and maintaining financial sustainability in the Rebuild/Recovery Stage.

The above processes and actions were part of the LTFFP deliberations when drafting the 2020/21 MTREF and taking it into the 2021/22 budget process.

2.5.2 Financial Strategic Approach

The 2021/22 LTFFP and MTREF was prepared with the intention of keeping revenue parameters as low as possible to assist already struggling communities and businesses. In doing so, serious considerations in reducing expenditure was made but at the same time not compromising on service delivery.

The key focus areas over the coming year as provided during the Strategic Review phase of the Strategic Management Framework (SMF) process are:

- Pandemic response;
- Prioritise essential services;
- Prioritise financial sustainability;
- Enable economic recovery;
- Respond to land and housing crisis;
- Prioritise safety;
- Respond to health and social impacts; and
- Organisational stabilisation and adaptation and building resilience.

The strategic brief further iterated that in response to the severe shock which has reverberated through Cape Town's social and economic systems in the form of the COVID-19 pandemic, and the cascading stresses on systems of municipal financing and governance – the City must make the hard choices around how to deliver on the outcomes of the IDP within the boundaries of a severely constrained budget.

At the SMF Operational Review directorates had to present and finalise cost cutting proposals and present progress on the planning/implementation of the strategy brief. They were further required to include additional operational asks only if it was an emergency, critical additional expenditure related to COVID-19 or focus areas that emerge from the strategic brief, with a motivation showing that the costs cannot be covered within the existing budget.

LTFP rationale and financial strategies implemented

The strategies included in the 2021/22 MTREF include the following:

- The depreciation strategy, which commenced in the 2020/21 financial year, continued for this MTREF in an effort to utilise available cash and reduce tariffs.
 - This strategy sees the City using its surplus cash flow to negate the recovery of a depreciation charge of R500 million per annum over seven years. This is done in order to offset revenue increases, due to loans not taken up previously. Subsequent to the tabled budget this amount was increased to R523 million for 2021/22 to fund a portion of the cost relating to land invasion; and
 - This attributes to the Budgeted Financial Performance showing a bottom-line deficit although the City's budget is fully funded as reflected in the Budgeted Cash Flow statement.
- Various cost savings initiatives were also implemented to achieve a budget that is realistic, sustainable and credible. Still ensuring the continuation of services and keeping revenue increases at low levels.

2.5.3 Financial Modelling and Key Planning Drivers

The principles applied to the MTREF in determining and maintaining a sustainable financial plan included:

- A base reduction on various expenditure categories of R72.5 million across all directorates in response to performance outcome of the 2019/20 financial year as well as a 5% reduction across all directorates on contracted services amounting to R149.1 million. This reduction however excluded contracted services linked to repairs and maintenance and externally-funded projects.
- Staff and vacancies:
 - A vacancy reduction of R311.3 million;
 - Zero percent for cost of living increases for 2021/22;
 - No performance increases for TASK grades 14 and above;
 - Budgeting at 95% of employee costs; and
 - A differentiated percentage budget approach on vacancies.
- No increases on overtime provision except for labour intensive directorates where inflationary increases were applied.
- Repairs and maintenance growth based on the previous year's actual expenditure, service delivery needs and efficiencies identified.
- Differentiated expenditure parameters include a combination of no growth (other expenditure), reduction to the base (other materials) and reduction of 50% of the current year budget; no growth going forward for bursaries, adult basic education (ABE) and training programmes (Training).
- A 100% capital expenditure implementation rate.
- Credible and realistic collection rates based on current and projected trends considering the impact of the pandemic.
- National- and Provincial allocations as per the 2021 Division of Revenue Bill (DoRb) and 2021 Provincial Gazette (Provincial Gazette Extraordinary 8400).

The following were included in the MTREF:

- A reduction of R500.4 million - additional expenditure included in the 2020/21 for COVID-19 related expenditure – but no longer required in 2021/22 financial year;
- Of the savings identified in the 2020/21 financial year to cover COVID-19 related expenditure R683 million were reinstated in the 2021/22 MTREF;
- In response to the SMF Operational Review process, initial additional asks by Rate-funded services were R1.2 billion. However, an amount of R226.9 million was allocated as additional impacting the rates revenue parameter. The balance of the requests was absorbed by a combination of:
 - Reviewing original submitted requirements;
 - Providing once-off allocations in the January 2021 adjustments budget; and
 - Reinstated COVID-19 related expenditure savings identified in 2021/22.
- To provide for the City's portion of the Law Enforcement Advancement Program (LEAP), R146 million and R125 million was allocated for the 2021/22 and 2022/23 financial years' respectively; and
- The following main changes were affected post tabling of the budget in March 2021:
 - The City is experiencing a surge in unlawful land occupations as a consequence of the COVID-19 pandemic. A provision of R170.8 million for the 2021/22 financial year was allocated across various services to combat this surge. This cost is budgeted to be funded from previous years' USDG VAT claw-back surpluses and the increase to the depreciation strategy amount; and
 - The City's cash position was reassessed which culminated in a reduction in the borrowing requirement for the 2021/22 financial year. Borrowing was reduced from R4 billion to R2.5 billion in 2021/22.

Demographic trends

The population of Cape Town in 2020 was estimated at 4 604 986, growing by 2.0% from 2019 to 2020 (Mid-year Population Estimates, Statistics South Africa, 2020). This makes Cape Town one of the larger metropolitan municipalities in South Africa and the main urban centre in the Western Cape.

In the context of the current COVID-19 pandemic facing the City and Cape Town, it is complex and not yet possible to fully consider what the shorter- and longer term impacts on demographic trends may be. However, at a high-level, it is still expected that the broad trends will be similar and Cape Town's population is expected to continue to grow as has been the past trend.

It is projected that the population will grow to around 5.1 million in 2030 (City of Cape Town, 2018). Moreover, the number of households in Cape Town in 2020 was estimated at 1.4 million, an increase of 10.5% since 2016 (City of Cape Town 2020, using Mid-year estimates). The average household size is estimated to have declined from 3.3 persons in 2015 to 3.2 persons in 2020 (City of Cape Town, 2020).

These trends of a steadily increasing population growth (albeit at a declining growth rate) and an increasing number of households, form some of the informants to City planning and service delivery for the residents of Cape Town. These trends will continue to be monitored, and refined as needed to inform COVID-19 recovery responses and planning.

National and Provincial influences

a) National Treasury MFMA Circular No. 107, issued on 4 December 2020

The purpose of this annual budget circular is to guide municipalities with the compilation of the 2021/22 MTREF.

The objectives of the circular are to, inter alia, demonstrate how municipalities should undertake annual budget preparation in accordance with the budget- and financial reform agenda and associated “game changers”.

Key focus areas stemming from this circular included:

- Macro-economic forecasts to be considered when preparing the 2021/22 MTREF municipal budgets;
- 2021 Local Government Elections and the budget process – managing of four significant risks;
- Version 6.5 of the mSCOA chart released with the circular to be utilised for the preparation of the 2021/22 MTREF;
- Municipalities to budget for water as inventory in the 2021/22 MTREF;
- Municipalities to set cost reflective tariffs to ensure that recovery of the full cost of rendering the service;
- Transfers to local government to be reduced for the local government equitable share, general fuel levy and direct conditional grants over the 2021 MTEF period;
- All municipalities should be aware that section 8 of the Municipal Property Rates Act on the determination of categories of rateable properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014;
- Municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality;
- Municipalities are advised to use the tariff increases previously (March 2019) approved by the National Energy Regulator of South Africa (NERSA);
- Accounting officers reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically;
- In the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases; and
- Municipalities need to be proactive in exercising credit control measures to ensure that arrear debt is collected.

b) National Treasury MFMA Circular No. 108, issued on 8 March 2021

This budget circular is a follow-up to Circular 107 issued in December 2020. It guides municipalities with preparation of the 2021/22 MTREF. This circular is linked to the MBRR and the mSCOA and strives to support municipalities’ budget preparation processes so that the minimum requirements are achieved. The key focus of this circular is the grant allocations per the 2021 Budget Review and the 2021 Division of Revenue Bill.

The circular also covers the following:

- An update on the South African Economy and inflation targets;
- Key Focus Areas for The 2021/22 Budget Process – changes to Local Government Allocations:
 - 2021 Local Government Elections and The Budget Process - Transitional Processes - Development and Adoption of IDPs during the 2021 Election Year and Hand-over reports for the newly elected councils.;
- mSCOA – guidance on transferring of opening balances, surplus or deficit journals and rollovers and repayment of unspent grants;
- Municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability;
- An update on Eskom's Bulk Tariff Increases and municipalities expected to mitigate the negative impact of the expected 16 to 20 per cent increase by improving efficiencies on both the revenue collections and the spending side;
- Funding choices and management Issues – includes guidance on the process to be followed with regard to the payment of danger allowance to employees – frontline staff rendering services to communities during the pandemic;
- Mayor's discretionary funds and similar discretionary budget allocations – municipalities must refer to section 12 of the MFMA in relation to setting up a relief, charitable, trust or other funds and must refrain from setting up sub-votes or allocations to "Mayoral Discretionary Funds", "Special Projects", "Special Events" or similar discretionary type funds;
- Conditional grant transfers to municipalities – setting out the criteria for the rollover of conditional grants and process and rollover requests against the COVID-19 funding allocated through the Equitable Share; and
- Information on the MBRR reporting and the budget process and submissions for the 2021/22 MTREF also included.

c) Provincial Treasury Municipal Circular 20/2020 issued 18th December 2020

In addition to reiterating the key aspects included in the MFMA Circular 107, this circular also highlighted:

- Economic and Fiscal environment of the Western Cape;
- Budgetary response to the Western Cape Recovery Plan; and
- Key dates of the 2021/22 Integrated Planning and Budgeting Process.

d) Provincial Treasury Municipal Circular 5/2021 issued 17th March 2021

This circular reiterated the key aspects raised in the MFMA Circular 108. In addition, it provided municipalities with a briefing on the Strategic Integrated Municipal Engagement (SIME) process scheduled for April/May 2021 after tabling of the budget.

2.5.4 Expenditure analysis – a three-year preview

a) General inflation outlook and its impact on municipal activities

National Treasury CPI projection is 3.9% for 2021/22, 4.2% for 2022/23 and 4.4% for 2023/24.

The City's CPI projection is within the South African Reserve Bank's (SARB) inflation target range of between 3% and 6% and in line with National Treasury guidance. CPI applied by the City for the 2021/22 MTREF is 3.10%, 4.60% and 4.50% over the respective three years. The City utilised BER's CPI projections at a point in time during the planning process and applies the projections in municipal financial years. To compensate for the higher CPI in 2020/21, the City applied a lower CPI for 2021/22.

The inflation rate had little impact to the City's expenditure budget as the City continued with the differentiated approach to give effect to a form of zero-based expenditure budget. Inflation was therefore not the primary driver of expenditure. CPI was considered in determining the miscellaneous tariffs.

b) Contracted Services, Overtime and Operational Cost

The pandemic presented significant constraints to the City's expenditure budget. The negative impact the pandemic had on the City's revenue budget limited the funds available for expenditure. In preparing the 2021/22 MTREF various cost saving initiatives were implemented to drive cost down whilst still ensuring the continuation of municipal services.

Similar to previous years the outcome of the 2019/20 budget performance was used as a basis to identify areas where savings were possible. Interventions adopted included budget reductions, reprioritisation of budgets and a differentiated approach to various expenditure categories. The differentiated approach consisted of a combination of zero-based and different percentage increases based on the nature of expenditure, the nature of the service departments (e.g. labour intensive in the case of overtime) and previous performance. The approach included a combination of no growth (other expenditure), reduction to the base (other materials) and reduction of 50% on the training budget. In addition, contracted services were reduced by 5%, excluding grant funded and contracted services related to repairs and maintenance work.

The Municipal Cost Containment Regulations and the City's Cost Containment Policy embedded in the City's operations also continued to assist in driving cost down and ensuring that value for money is achieved and resources of the municipality are used effectively, efficiently and economically.

c) Interest rates for investment of funds

Investments are made in terms of the City's Cash Management and Investment Policy, which aims to secure sound and sustainable management of the City's surplus cash and investments. The monetary policy committee (MPC) cut the repo rate by 300 basis point (3%) in the previous financial year to aid South Africa's recover from the COVID-19 pandemic. The drop in the repo rate resulted in lower investment rates being offered by commercial banks which in turn contributed to the City's reduced investment income budget.

Given the above, investment interest rates for the 2021/22 is 4.02% and 4.48% for the outer years of the MTREF.

d) Collection rate for Property Rates and Service charges

NT Circular 107 reiterates the guidance provided in NT MFMA Circulars 93 and 98 as it relates to municipal collection rates. The guidance provided advises municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2021/22 MTREF budgets from realistically anticipated revenues to be collected. Subsequently, municipalities are cautioned against assuming collection rates that are unrealistic and unattainable.

The first period of the 2020/21 financial year has shown that to date the pandemic had little impact to the City's collection rates. Based on this premise and assuming that this trend will continue, the collection rate assumptions as shown in the ensuing table were made for the 2021/ 22 MTREF.

Table 38 - Collection Rates

Services	Base Budget 2020/21	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rates	90.0%	95.1%	95.6%	96.0%
Electricity	98.5%	98.5%	98.5%	98.5%
Water	85.0%	87.0%	89.0%	92.0%
Sanitation	85.0%	87.0%	89.0%	92.0%
Refuse	85.0%	85.0%	85.0%	85.0%

The Rates collection rate is projected at 95.1% for 2021/22, which shows an improvement to the budgeted collection rate of 2020/21. The higher projected collection rate is based on current trends and continued debt management initiatives.

The Electricity collection rate is projected at 98.5% for the 2021/22 MTREF period. This is supported by the reported current in-year collection rate, which showed a 100% YTD collection rate outcome for month seven of the 2020/21 financial year. The high collection rate can mainly be attributed to the continuous rollout of prepaid meters and revenue protection initiatives.

The Water & Sanitation collection rates has increased to a projected 87% for the 2021/22 financial year, compared to an 85% collection rate budgeted for in 2020/21. An 89% and 92% collection rate is projected, respectively, for the outer years of the MTREF. The expected increase in the collection rate is based on the latest projections, which include increased debt management action as well as systematically moving out of the COVID-19 environment.

The projected Refuse collection rate is 85% annually over the 2021/22 MTREF. The projected collection rate is supported by the current in-year 12 months' average trend, which shows an average collection rate outcome of 89% as at January 2021.

e) Salary increases

The 2020/21 financial year was the last year of the 3-year Salary and Wage Collective Agreement. In the absence of a renewed agreement during the budget process, National Treasury, in its circulars 107 and 108, advised municipalities to take into account their financial sustainability when considering salary increases especially given the current economic condition exacerbated by the COVID-19 pandemic. Municipalities were urged to consider projecting increases to wages that would reflect their affordability and even to exercise the option for exemption for any negotiated increase above the level of their affordability.

Due to the constraints on the City's expenditure budget certain interventions including no provision for a cost of living increase in the 2021/22 financial year has been made. However, in the event that the Salary and Wage Collective Agreement concludes an increase for 2021/22, the City will be necessitated to implement a budgetary intervention to the salary budget of a permanent nature. In the absence of an agreement, the outer year's salary increases were based on the latest calendar year BER CPI projections.

To further reduce costs, no provision for performance- and other notch increases were made for T-grade level 14 and above. A provision of 2% was made for incremental allowances for T-grade level 13 and below.

The figure below shows the correlation between the City's CPI and the salary increase over the MTREF.

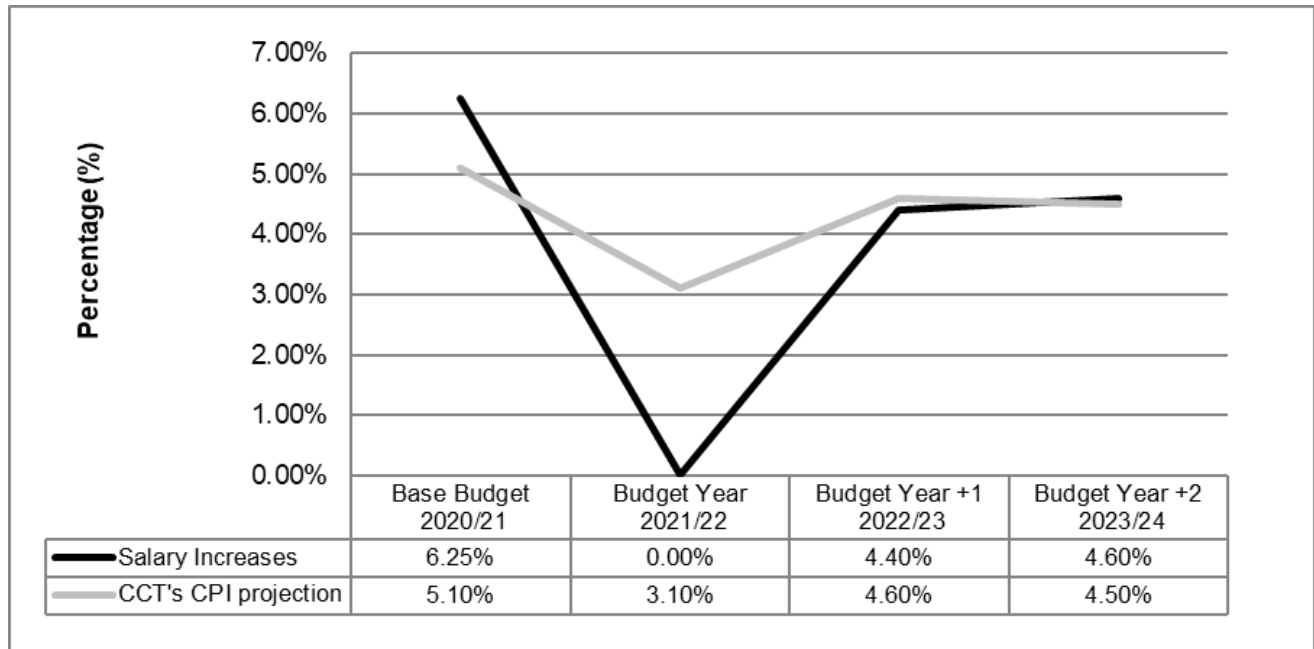


Figure 8 Correlation between the City's CPI and the salary increase over the MTREF

In addition to the above increases, the City continued with the method of budgeting for salaries at 95% as introduced in the 2018/19 financial year. The 2020/21 MTREF also saw the continuation of partial budgeting for vacancies, due to previous years' outcomes showing a recurring underperformance. This approach was adopted as the turnaround time of vacancies has attributed significantly to the underperformance on the salaries budget. Furthermore, a reduction in vacancies were also implemented in the 2021/22 financial year to further drive down cost.

f) Ensuring maintenance of existing assets

NT MFMA Circular 107 advised municipalities to refer to annual budget circulars of previous years for guidance on budget preparation not covered in this circular. In this regard, NT MFMA Circular 55 states that municipal councils, mayors and municipal managers are urged to ensure that allocations to repairs and maintenance, and the renewal of existing infrastructure are prioritised.

To ensure investment in repairs and maintenance, the differentiated approach introduced in previous years was applied to repairs and maintenance expenditure for the 2021/22 MTREF. This approach considered previous years' performance, service delivery needs, efficiencies and the nature of the function that individual services provide. The following varying parameters were applied:

- CPI increase to services where the nature of business is primarily to provide repairs and maintenance, and where the condition of the assets must be secured, and for services, which although their main function is not providing repairs and maintenance but the nature of business and facilities requires a proper maintenance provision; and
- No increase for support services.

Even though this approach was followed, the pandemic prevented the full service of repairs and maintenance to continue. This resulted in a reduction of the repairs and maintenance base in the 2020/21 financial year. It is expected that this trend will continue in the 2021/22 financial year.

NT MFMA Circulars 55 and 70 set the ratio of operational repairs and maintenance to asset value (write down value of the municipality's property, plant and equipment (PPE)) at 8%. The ratio outcome for 2021/22 is 7.2%, slightly lower than the National Treasury benchmark. This is mainly due to the adverse impact of the COVID-19 pandemic, which decelerated the ability to spend on repairs and maintenance.

g) Operational financing for capital depreciation

Calculation of depreciation on new capital expenditure is based on variables such as asset class and lifespan, depending on the nature of the asset. An annual capital expenditure implementation rate of 100% was assumed. Depreciation of existing assets is calculated based on simulated SAP data that reflect actual values per annum. Assets under construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.

Credit rating outlook and borrowing

The City needs a credit rating to demonstrate its ability to meet its short- and long-term financial obligations. Potential lenders also use it to assess the City's credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework.

On 1 December 2020, Moody's Investors Service provided an update to the City's credit opinion. The City's global scale rating was downgraded in light of a downgrade of the credit rating of the sovereign (Republic of South Africa) while its national scale rating as well as its negative outlook were confirmed.

The City's national scale rating is currently Aaa.za/P-1.za, which reflects the City's credit profile of strong financial performance supported by prudent financial management, a large and diverse economic profile and predictable sources of revenue from property taxes and service charges. The City has consistently generated operating surplus, strong liquidity compared with that of its peers in South Africa and low debt. The City's credit profile is constrained by the capital spending pressure arising from infrastructure backlogs and population growth. It is further constrained by the impact of the COVID-19 pandemic and low economic growth.

The City's known ratings over the last period are reflected in the table below.

Table 39 - Credit rating outlook

Category	Currency	Current Rating 1 December 2020 Update following downgrade of Sovereign	Previous 6 April 2020 Update following downgrade of Sovereign	Previous 13 March 2020
Outlook	-	Negative	Negative	Negative
NSR Issuer Rating	Rand	Aaa.za	Aaa.za	Aaa.za
NSR ST Issuer Rating	Rand	P-1.za	P-1.za	P-1.za
NSR Senior Unsecured	Rand	Aaa.za	Aaa.za	Aaa.za

- Stable Outlook – reflects that a credit rating assigned to an issuer is unlikely to change;
- Negative Outlook - reflects that a credit rating assigned to an issuer may be lowered;
- Rating under Review - a review indicates that a rating is under consideration for a change in the near term;
- NSR Issuer Rating – Aaa.za - Issuers or issues rated Aaa.za demonstrate the strongest creditworthiness relative to other domestic issuers;
- NSR ST Issuer Rating – P-1.za – Issuers (or supporting institutions) rated Prime-1 have the strongest ability to repay short-term senior unsecured debt obligations relative to other domestic issuers; and
- NSR Senior Unsecured – Aaa.za - Issuers or issues rated Aaa.za demonstrate the strongest creditworthiness relative to other domestic issuers.

The City's borrowing is done in terms of Chapter 6 of the MFMA as well as the City's Borrowing Policy, in terms of which a long-term loan will only be entered into if it's affordable and sustainable. The City's loan requirements are determined by the capital investment requirement (excl. Transfers Recognised: Capital) and the projected cash position. The City primarily borrows against future revenue generating assets.

The below table reflects the borrowing and interest rate over the MTREF.

Description	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R Thousand			
Borrowing	2 500 000	4 500 000	7 000 000
Borrowing Interest Rate (%)	11%	11%	11%

2.5.5 Revenue analysis – a three-year preview

a) Growth

Property Rates

No growth is projected for Property Rates for 2021/22 and 2022/23. A slight growth of 0.1% is projected for 2023/24. This is due to the expected impact of the pandemic on valuations.

Electricity

No growth in sales revenue is projected for 2021/22, followed by a shrinkage of 1.5% over the two outer years of the MTREF. The conservative approach is mainly due to the effects of the pandemic as well as a sustained declining demand on electricity sales.

Water and Sanitation

A growth of 4% is projected for water and 3% for sanitation for both the 2021/22 and 2022/23 financial years. A 2% growth is projected for both Water and Sanitation in 2023/24. The projected growth is evident in the current trends and can mainly be attributed to the expected increase in consumption as the City experiences the "bounce-back" after the drought flowing from the withdrawal of the restrictions and restriction tariffs.

Refuse

Average revenue growth over the last 3 years showed a consistent 2% growth for Refuse revenue. Based on this a 2% growth factor was applied over the 2021/22 MTREF. Waste disposal, however, showed no increase over the last 3 years therefore no growth is projected for Disposal over the MTREF period.

b) Major tariffs and charges: Rates and Trading services

National Treasury, in NT MFMA Circular 107, encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3% to 6% target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2021/22** in their budget narratives and pay careful attention to tariff increases across all consumer groups.

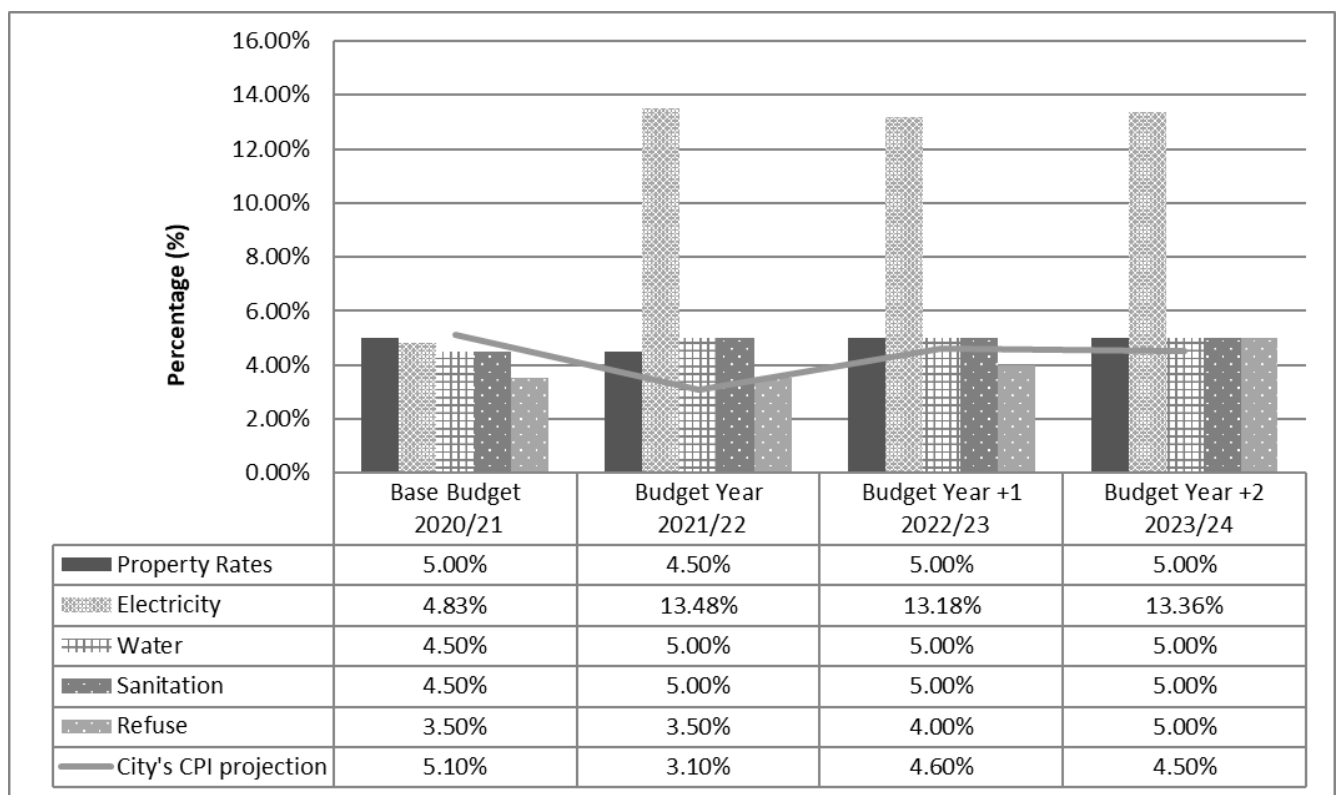


Figure 9 Revenue parameters for the MTREF period

Property Rates

The revenue parameter for Property Rates over the 2021/22 financial year is at level below the upper limit of the inflation target range. This lower increase was achieved by implementing various cost saving initiatives to counter the reduction in supplementary revenue sources such as the Fuel levy, LGES and investment income. The increase of 4.5% for 2021/22 will allow for the continuation of providing Rates-funded services, further investment in initiatives such as COVID-19 pandemic related requirements, servicing of new informal settlements, ongoing investment in repairs and maintenance and various safety and security operations.

Electricity

On 16 February 2021 NERSA was ordered by the High Court of South Africa to add R10 billion to Eskom's allowable revenue to be recovered in the 2021/22 financial year. This also follows the approval of Eskom's Regulatory Clearing Account (RCA) applications for year 2 (2014/15), year 3 (2015/16) and year 4 (2016/17) of the third Multi-Year Price Determination (MYPD3) period and Eskom's supplementary tariff application for the 2018/19 financial year of R4 749 million and R1 288 million respectively, be recovered in the 2021/22 financial year. A municipal guideline increase of 14.59% was approved by NERSA according to the Guideline on municipal electricity price increases for 2021/22 dated 15th May 2021.

The nature of business for the Electricity service is the purchasing and redistribution of electricity, where bulk purchases averages 65% of the services budget. The Electricity revenue increase is therefore mainly as a result of the Eskom approved average increase of 17.8% on bulk purchases.

The full impact of this increase was however not carried over to the consumer. In an effort to lower revenue increases, the Electricity department implemented cost saving measures on various expenditure types, such as reducing the staff budget, but also improved on the collection of debt. Based on the above, the electricity average revenue increases are 13.48%, 13.18% and 13.36%, respectively over the 2021/22 MTREF.

Water and Sanitation

NT MFMA Circular 99 stated that *"Municipalities should take strategic action to ensure effective water management and resilience to drought, including the security of water supply, environmental degradation, and pollution of resources to achieve economic growth, development and socio – economic priorities in an equitable and sustainable manner."*

The average revenue increase applied over the 2021/22 MTREF period for water and sanitation is 5% annually. To ensure the lowest revenue increase was achieved, expenditure was reduced while still ensuring that the strategic imperatives of the service could continue. The revenue increase makes provision for, amongst other, the following:

- To ensure sustainable and resilient provision of water, budgetary provision for the New Water Plan was made, which includes initiatives to further invest in the underground extraction of water from aquifers;
- Water demand management to limit the abuse and loss of water;
- Upgrades and extensions to the wastewater treatment plants;
- Continued investment in asset replacement programs to ensure proper asset management;
- Ongoing investment in repairs and maintenance program and maintaining required compliance standards;
- Supplying water and sanitation at appropriate compliance, capacity, skills, service delivery and responsiveness levels; and
- COVID-19 pandemic requirements which has been incorporated into permanent aspects of the service levels.

Refuse

Guidance on budgeting for Solid Waste matters was provided in NT MFMA Circular 99 stating that *“Investments in waste collections and treatment infrastructure should be made in tandem with industrial and urban developments to minimise pollution to our land and waters”*. In this regard, the following revenue increases are projected for Solid Waste Management over the 2021/22 MTREF.

Solid Waste consists of three services of which two are tariff-funded and one funded by Property Rates. The tariff funded services consists of Refuse and Disposal.

Refuse service charges is the revenue received for the removal of waste from residential and non-residential properties. The Refuse average increase is 3.50% for 2021/22 and averages 4.50% over the two outer years. The average increase will fund, inter alia, the upgrading of drop-off facilities to accommodate the expansion of the service, continuous implementation of waste minimisation initiatives, upgrading of depots, maintenance programs and the typical day-to-day service operations.

Disposal service charges is the revenue received for the disposal of waste from residential and non-residential properties. The Disposal average increase for 2021/22 is 4.41% whereas the increases for the two outer years are 8.94% and 8.91% respectively. These increases are required for the continued operational requirement of the service, the development of landfill infrastructure, development and upgrading of transfer stations, plant replacement, additional Material Recovery Facilities and Landfill Gas generation to beneficiation at all landfill sites.

Housing rental (Council rental properties)

The monthly rental charge for housing rental properties is based on a rate per square meter applied to the size of the unit being rented, coupled with a set of premiums/deductions based on the location, maintenance level, facilities *et al* of the specific property for which the rent is charged.

Through addressing the economic challenges faced by many poorer communities residing in, particularly, the City's rental stock, the average total monthly rental charge percentage increase associated with the City's rental properties has been retained at an affordable level and is based on an annual increase of 3.13% (where the unit has a separate water meter) or 3.49% (for those units which include water in the rental charge) for 2021/22.

The projected rental charge increase is lower than CPI, due to rental units operating on a City-subsidised basis.

Tenants who are occupying rental properties since 2007 receive a subsidy of 20% of the rental charge, this being the final portion of the phase-out program, which was not fully implemented by the City to facilitate affordability of long standing tenants. This key initiative, reflected within the City's Credit Control and Debt Collection Policy, supports affordable rentals to many poor communities and the City's initiatives in terms of its housing debt collection drives whilst supporting the City's housing debtor book that it does not unduly increase due to, potentially, unreachable charges.

The proposed 2021/22 housing rental charge is in line with previous annual rental increases and is again aimed at ensuring affordability for the City's poorer communities. The rental rate (per square meter per month) is R11.62 (where the unit has a separate water meter) or a rental charge (including water charge where applicable) of R19.70 per square meter per month.

The City's housing premiums and deductions charge structure addressing the variations in the City's diverse rental properties remains as follows:

- Discounts on account
 - Outside toilet (R20 per month)
 - External Water (R30 per month)
 - No ceiling (R15 per month)
- Premiums on account
 - Saleable unit (R4,50 per month)
 - Well maintained (R5 per month)
 - Local environment (R3,50 per month)
 - Well located (R5 per month)
 - Hot water cylinder (R4 per month)

A surcharge for tenants earning a monthly income above the rental income threshold (R3 500) is charged at a stepped rate of 8% for those earning R3 501 – R7 500 and 10% for those earning R7 501 – R10 000.

Tenants who earn more than R10 000 per month will pay a surcharge of 25% of the amount above R10 000. A two (2) year lease agreement will be signed, which will not be renewed if the income remains more than R10 000.

c) Capital funding

The capital budget was prepared considering very strict assessment criteria to ensure affordability and the ability to implement the capital budget. In this regard the Project Readiness Assessment (PRA) tool were used. The PRA tool took into consideration matters such as the procurement and implementation readiness, technical, financial feasibility and strategic alignment. This process culminated in the proposal of the following capital budget over the 2021/22 MTREF.

Table 40 - Capital Budget over MTREF

Capital funding R thousands	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Transfers recognised - capital	3 138 842	2 961 645	2 877 431
Borrowing	2 500 000	4 500 000	7 000 000
Internally generated funds	2 675 925	1 648 903	1 598 687
TOTAL	8 314 767	9 110 548	11 476 119

2.5.6 2021 Division of Revenue Bill (DoRb) and Fuel Levy

Equitable Share

In terms of Section 227 of the Constitution, local government is entitled to an equitable share of nationally raised revenue to enable it to provide basic services and perform its allocated functions. The local government equitable share is an unconditional transfer, which supplements the revenue that municipalities can raise themselves (including revenue raised through property rates and service charges).

NT MFMA Circular 107 indicated that the local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period. Furthermore, according to the 2021 National Budget review document to implement government strategy of fiscal consolidations, equitable share decreases by 1% over the next three years.

The equitable share allocation to the City is therefore much lower than the indicative allocations reflected in the 2020 DoRA. The DoRb issued in February 2021, via Gazette number 43025, provided for the following allocations, which have been included in the City's MTREF:

- 2021/22 – R3 215 million
- 2022/23 – R3 455 million
- 2023/24 – R3 506 million

Sharing of the Fuel Levy

The general Fuel Levy is legislated by the Taxation Laws Amendment Act (Act 17 of 2009), which provides that each metropolitan's share should be announced in the government gazette.

The General Fuel Levy allocation letter, as received from National Treasury for the 2021/22 MTREF, stated that the 2019 (latest) fuel volume sales were used to determine the 2021/22 sharing of the general fuel levy allocations. Due to the COVID-19 pandemic and a constrained fiscal environment, the local government sphere is subjected to budget reductions for the next MTEF period. These reductions will also have an impact on the sharing of the general fuel levy allocations with all the metropolitan municipalities. Based on the data and the phasing-in approach the sharing of the general fuel levy allocations was provided for metropolitan municipalities. In addition, the allocation letter further advises municipalities that the allocations for the two outer years of the 2021 MTEF are provisional and that actual allocations will be based on fuel sales.

The following amounts allocated to the City, as per the 2021/22 allocation letter, was included in the City's MTREF:

- 2021/22 – R2 609 million
- 2022/23 – R2 713 million
- 2023/24 – R2 706 million

2.5.7 Major parameters

The following table summarises the major parameters applied to the 2021/22 MTREF operating budget:

Table 41 - Summary of parameters applied to the operating budget

	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CPI	3.10%	4.60%	4.50%
COLLECTION RATES			
Rates	95.14%	95.59%	96.04%
Electricity	98.50%	98.50%	98.50%
Water	87.00%	89.00%	92.00%
Sanitation	87.00%	89.00%	92.00%
Refuse	85.00%	85.00%	85.00%
Housing	0.00%	0.00%	0.00%
REVENUE PARAMETERS			
Rates	4.50%	5.00%	5.00%
Electricity	13.48%	13.18%	13.36%
Water	5.00%	5.00%	5.00%
Sanitation	5.00%	5.00%	5.00%
Refuse	3.50%	4.00%	5.00%
Disposal	4.41%	8.94%	8.91%
GROWTH PARAMETERS			
Rates	0.00%	0.00%	0.10%
Electricity	0.00%	-1.50%	-1.50%
Water	4.00%	4.00%	2.00%
Sanitation	3.00%	3.00%	2.00%
Refuse	2.00%	2.00%	2.00%
EXPENDITURE PARAMETERS			
Salary increase			
Salary increase (SALGBC Agreement)	0.00%	4.40%	4.60%
Increment provision	2.00%	2.00%	2.00%
Operational cost	Differentiated	Differentiated	Differentiated
Repairs & Maintenance	Differentiated	Differentiated	Differentiated
Interest Rates			
Interest paid	11.00%	11.00%	11.00%
Interest on investment	4.02%	4.48%	4.48%
OTHER			
Capital Borrowing expenditure	R2.500bn	R4.500bn	R7.000bn
Equitable Share Allocation	R3.215bn	R3.455bn	R3.506bn
Fuel levy	R2.609bn	R2.713bn	R2.706bn

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 42 - Breakdown of the operating revenue over the medium-term

Description R thousand	2021/22 Medium Term Revenue & Expenditure Framework					
	Budget Year 2021/22	%	Budget Year +1 2022/23	%	Budget Year +2 2023/24	%
Property Rates	10 984 132	23.1%	11 532 163	22.7%	12 076 858	22.5%
Service Charges	22 396 466	47.1%	24 783 377	48.8%	27 402 143	51.1%
Investment Revenue	855 119	1.8%	912 415	1.8%	884 108	1.6%
Transfers & Subsidies	5 650 364	11.9%	5 774 670	11.4%	5 357 558	10.0%
Other own revenue	7 623 518	16.0%	7 818 635	15.4%	7 909 209	14.7%
Total Revenue (excluding capital transfers and contributions)	47 509 600	100%	50 821 261	100%	53 629 876	100%

The following graph is a breakdown of the operational revenue per main category for 2021/22.

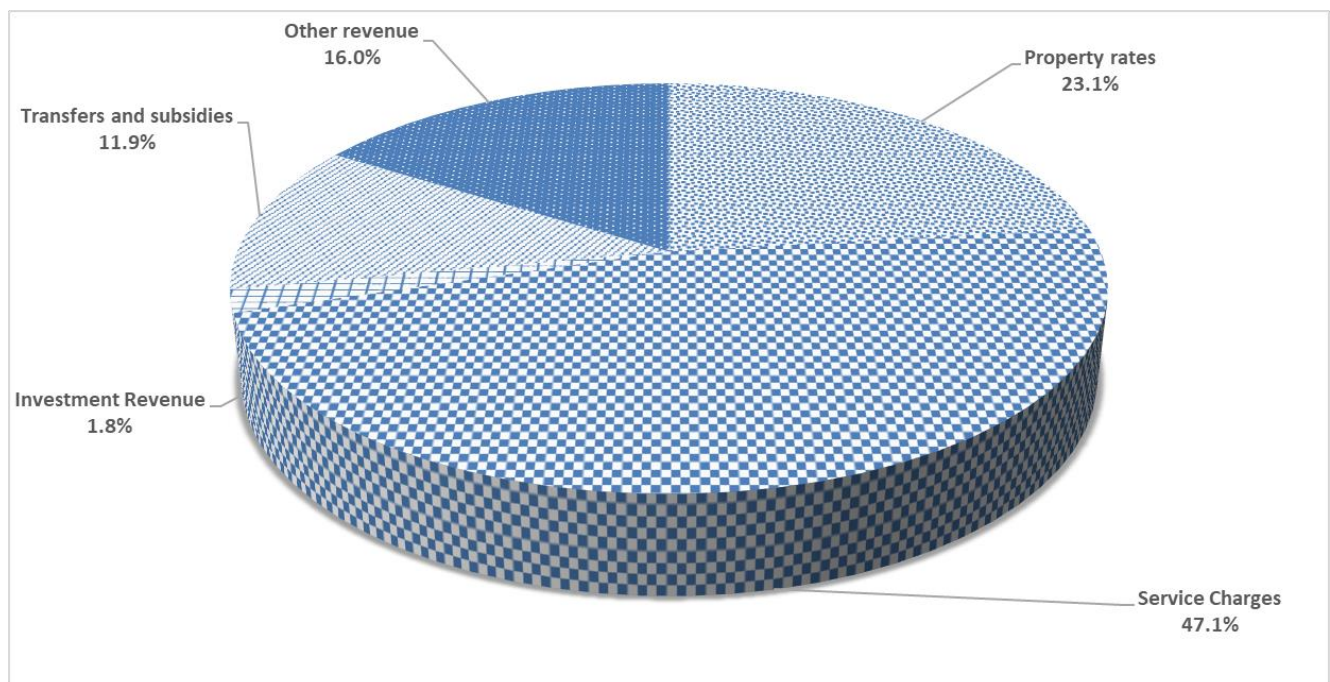


Figure 10 Breakdown of operating revenue over the 2021/22 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. To ensure an effective, efficient and well-run City, higher tariff increases are inevitable. Getting tariffs right assists in the compilation of a credible and funded budget.

The City derives most of its operational revenue from its service charges (47.1% of total revenue) i.e. provision of services such as water, electricity, sanitation and solid waste removal. Property Rates (23.1%), Transfers & Subsidies (11.9%), Investment revenue (1.8%) and Other revenue (inter alia Fuel Levy, building plan fees, licences, permits etc.) (16.0%) forms part of the 2021/22 revenue base.

The revenue strategy is a function of a number of key aspects such as:

- National Treasury Guidelines;
- General Economic Climate (Nationally and Local);
- City's Strategic Guidelines and Priorities;
- General Tariff Policy;
- Credit Control and Debt Collection Policy;
- Property Rates Policy;
- Total Municipal Account Modelling Process;
- Achievement of full recovery of cost for specific user charges; and a
- Credible collection ratio.

The principles mentioned above guide and inform the annual increase of tariffs and rates charged to the consumers and ratepayers.

Revenue to be generated from Property Rates in 2021/22 amount to R10 984 million and represents 23.1% of the operating revenue base of the City. It increases to R12 077 million in 2023/24.

Service Charges relating to electricity, water, sanitation and refuse removal constitute the biggest component of the revenue basket of the City totalling R22 396 million or 47.1% of the total revenue base in 2021/22.

Transfers and Subsidies amount to R5 650 million in 2021/22. This category includes external allocations received from National- and Provincial Government, and private sector funding.

Investment revenue is budgeted at R855 million, R912 million and R884 million over the 2021/22 MTREF.

Table 43 provides detailed investment information while Table 44 provides investment particulars by maturity.

It should be noted that the investments included in these tables are compliant with the provisions of Section 17(1)(f) of the MFMA as well as the City's approved Cash management and Investment Policy.

Table 43 - MBRR Table SA15 - Detailed investment information

Investment type	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Parent municipality									
Securities - National Government	82 838	82 567	72 006	59 450	59 450	59 450	52 095	51 475	50 856
Listed Corporate Bonds	–	–	–	–	–	–	–	–	–
Deposits - Bank	9 982 261	13 405 368	14 949 522	9 284 524	10 418 935	10 418 935	9 472 123	10 943 459	12 491 302
Deposits - Public Investment Commissioners	–	–	–	–	–	–	–	–	–
Deposits - Corporation for Public Deposits	–	–	–	–	–	–	–	–	–
Bankers Acceptance Certificates	–	–	–	–	–	–	–	–	–
Negotiable Certificates of Deposit - Banks	–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (sinking)	2 265 047	2 503 755	2 771 615	3 070 090	3 070 090	3 070 090	3 402 669	2 768 888	1 859 336
Repurchase Agreements - Banks	–	–	–	–	–	–	–	–	–
Municipal Bonds	–	–	–	–	–	–	–	–	–
TOTAL	12 330 146	15 991 691	17 793 143	12 414 064	13 548 475	13 548 475	12 926 886	13 763 823	14 401 495

Table 44 - MBRR Table SA16 - Investment particulars by maturity

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Closing Balance
Name of institution & investment ID	Yrs/Months								
ABSA Bank	73	Fixed	Yes	Fixed	3.83%	21-May-21	50 000	383	50 383
ABSA Bank	83	Fixed	Yes	Fixed	3.85%	27-May-21	135 000	1 182	136 182
ABSA Bank	79	Fixed	Yes	Fixed	3.85%	28-May-21	20 000	167	20 167
ABSA Bank	78	Fixed	Yes	Fixed	3.85%	28-May-21	30 000	247	30 247
ABSA Bank	77	Fixed	Yes	Fixed	3.85%	31-May-21	55 000	447	55 447
ABSA Bank	76	Fixed	Yes	Fixed	3.85%	31-May-21	60 000	481	60 481
ABSA Bank	72	Fixed	Yes	Fixed	3.85%	4-Jun-21	30 000	228	30 228
ABSA Bank	71	Fixed	Yes	Fixed	3.85%	4-Jun-21	20 000	150	20 150
ABSA Bank	73	Fixed	Yes	Fixed	3.85%	11-Jun-21	40 000	308	40 308
ABSA Bank	90	Fixed	Yes	Fixed	3.90%	15-Jun-21	200 000	1 923	201 923
ABSA Bank	79	Fixed	Yes	Fixed	3.87%	18-Jun-21	10 000	84	10 084
ABSA Bank	88	Fixed	Yes	Fixed	3.90%	25-Jun-21	170 000	1 598	171 598
ABSA Bank	72	Fixed	Yes	Fixed	3.85%	30-Jun-21	25 000	190	25 190
ABSA Bank	71	Fixed	Yes	Fixed	3.85%	30-Jun-21	10 000	75	10 075
ABSA Bank	70	Fixed	Yes	Fixed	3.85%	30-Jun-21	30 000	222	30 222
ABSA Bank	69	Fixed	Yes	Fixed	3.85%	30-Jun-21	20 000	146	20 146
ABSA Bank	49	Fixed	Yes	Fixed	3.80%	30-Jun-21	20 000	102	20 102
ABSA Bank	48	Fixed	Yes	Fixed	3.80%	30-Jun-21	10 000	50	10 050
ABSA Bank	92	Fixed	Yes	Fixed	3.92%	2-Jul-21	30 000	296	30 296
ABSA Bank	87	Fixed	Yes	Fixed	3.90%	9-Jul-21	20 000	186	20 186
ABSA Bank	86	Fixed	Yes	Fixed	3.90%	9-Jul-21	20 000	184	20 184
ABSA Bank	97	Fixed	Yes	Fixed	3.95%	15-Jul-21	20 000	210	20 210
ABSA Bank	100	Fixed	Yes	Fixed	3.95%	15-Jul-21	85 000	920	85 920
ABSA Bank	98	Fixed	Yes	Fixed	3.95%	15-Jul-21	35 000	371	35 371
ABSA Bank	94	Fixed	Yes	Fixed	3.95%	15-Jul-21	50 000	509	50 509
ABSA Bank	92	Fixed	Yes	Fixed	3.93%	16-Jul-21	50 000	495	50 495
ABSA Bank	92	Fixed	Yes	Fixed	3.93%	16-Jul-21	15 000	149	15 149
ABSA Bank	79	Fixed	Yes	Fixed	3.90%	23-Jul-21	10 000	84	10 084
ABSA Bank	92	Fixed	Yes	Fixed	3.93%	27-Jul-21	20 000	198	20 198
ABSA Bank	90	Fixed	Yes	Fixed	3.93%	27-Jul-21	35 000	339	35 339
ABSA Bank	89	Fixed	Yes	Fixed	3.93%	27-Jul-21	30 000	287	30 287
ABSA Bank	85	Fixed	Yes	Fixed	3.90%	30-Jul-21	60 000	545	60 545
ABSA Bank	80	Fixed	Yes	Fixed	3.90%	30-Jul-21	25 000	214	25 214
ABSA Bank	74	Fixed	Yes	Fixed	3.90%	30-Jul-21	20 000	158	20 158
Firststrand	73	Fixed	Yes	Fixed	4.06%	21-May-21	45 000	365	45 365
Firststrand	83	Fixed	Yes	Fixed	4.09%	27-May-21	135 000	1 256	136 256
Firststrand	79	Fixed	Yes	Fixed	4.08%	28-May-21	25 000	221	25 221
Firststrand	78	Fixed	Yes	Fixed	4.08%	28-May-21	30 000	262	30 262
Firststrand	72	Fixed	Yes	Fixed	4.10%	4-Jun-21	30 000	243	30 243
Firststrand	71	Fixed	Yes	Fixed	4.10%	4-Jun-21	20 000	160	20 160
Firststrand	77	Fixed	Yes	Fixed	4.12%	11-Jun-21	60 000	521	60 521
Firststrand	73	Fixed	Yes	Fixed	4.10%	11-Jun-21	45 000	369	45 369
Firststrand	90	Fixed	Yes	Fixed	4.13%	15-Jun-21	200 000	2 037	202 037
Firststrand	88	Fixed	Yes	Fixed	4.14%	25-Jun-21	180 000	1 797	181 797
Firststrand	72	Fixed	Yes	Fixed	4.08%	30-Jun-21	30 000	241	30 241
Firststrand	71	Fixed	Yes	Fixed	4.07%	30-Jun-21	10 000	79	10 079
Firststrand	70	Fixed	Yes	Fixed	4.07%	30-Jun-21	30 000	234	30 234
Firststrand	69	Fixed	Yes	Fixed	4.07%	30-Jun-21	15 000	115	15 115
Firststrand	49	Fixed	Yes	Fixed	4.08%	30-Jun-21	20 000	110	20 110
Firststrand	48	Fixed	Yes	Fixed	4.05%	30-Jun-21	15 000	80	15 080
Firststrand	92	Fixed	Yes	Fixed	4.15%	2-Jul-21	70 000	732	70 732
Firststrand	87	Fixed	Yes	Fixed	4.13%	9-Jul-21	20 000	197	20 197
Firststrand	86	Fixed	Yes	Fixed	4.12%	9-Jul-21	20 000	194	20 194
Firststrand	100	Fixed	Yes	Fixed	4.23%	15-Jul-21	80 000	927	80 927
Firststrand	98	Fixed	Yes	Fixed	4.20%	15-Jul-21	35 000	395	35 395
Firststrand	94	Fixed	Yes	Fixed	4.16%	15-Jul-21	30 000	321	30 321
Firststrand	92	Fixed	Yes	Fixed	4.14%	16-Jul-21	15 000	157	15 157
Firststrand	92	Fixed	Yes	Fixed	4.14%	16-Jul-21	25 000	261	25 261
Firststrand	92	Fixed	Yes	Fixed	4.14%	16-Jul-21	25 000	261	25 261
Firststrand	79	Fixed	Yes	Fixed	4.09%	23-Jul-21	100 000	885	100 885
Firststrand	88	Fixed	Yes	Fixed	4.12%	27-Jul-21	30 000	298	30 298
Firststrand	92	Fixed	Yes	Fixed	4.13%	27-Jul-21	20 000	208	20 208
Firststrand	92	Fixed	Yes	Fixed	4.13%	27-Jul-21	20 000	208	20 208
Firststrand	90	Fixed	Yes	Fixed	4.12%	27-Jul-21	30 000	305	30 305
Firststrand	89	Fixed	Yes	Fixed	4.12%	27-Jul-21	30 000	301	30 301
Firststrand	85	Fixed	Yes	Fixed	4.11%	30-Jul-21	25 000	239	25 239
Firststrand	80	Fixed	Yes	Fixed	4.09%	30-Jul-21	25 000	224	25 224
Firststrand	74	Fixed	Yes	Fixed	4.10%	30-Jul-21	35 000	291	35 291

Table continues on next page.

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months										
Investec Bank	73	Fixed	Yes	Fixed	3.70%	21-May-21	15 000	111	–	–	15 111
Investec Bank	83	Fixed	Yes	Fixed	3.80%	27-May-21	55 000	475	–	–	55 475
Investec Bank	79	Fixed	Yes	Fixed	3.70%	28-May-21	10 000	80	–	–	10 080
Investec Bank	78	Fixed	Yes	Fixed	3.70%	28-May-21	10 000	79	–	–	10 079
Investec Bank	76	Fixed	Yes	Fixed	3.70%	31-May-21	30 000	231	–	–	30 231
Investec Bank	72	Fixed	Yes	Fixed	3.70%	4-Jun-21	10 000	73	–	–	10 073
Investec Bank	71	Fixed	Yes	Fixed	3.70%	4-Jun-21	10 000	72	–	–	10 072
Investec Bank	73	Fixed	Yes	Fixed	3.80%	11-Jun-21	15 000	114	–	–	15 114
Investec Bank	90	Fixed	Yes	Fixed	3.85%	15-Jun-21	100 000	949	–	–	100 949
Investec Bank	79	Fixed	Yes	Fixed	3.90%	18-Jun-21	75 000	633	–	–	75 633
Investec Bank	88	Fixed	Yes	Fixed	3.90%	25-Jun-21	60 000	564	–	–	60 564
Investec Bank	72	Fixed	Yes	Fixed	3.80%	30-Jun-21	15 000	112	–	–	15 112
Investec Bank	70	Fixed	Yes	Fixed	3.80%	30-Jun-21	15 000	109	–	–	15 109
Investec Bank	69	Fixed	Yes	Fixed	3.80%	30-Jun-21	10 000	72	–	–	10 072
Investec Bank	48	Fixed	Yes	Fixed	3.75%	30-Jun-21	10 000	49	–	–	10 049
Investec Bank	87	Fixed	Yes	Fixed	3.90%	9-Jul-21	10 000	93	–	–	10 093
Investec Bank	97	Fixed	Yes	Fixed	3.90%	15-Jul-21	15 000	155	–	–	15 155
Investec Bank	100	Fixed	Yes	Fixed	3.90%	15-Jul-21	30 000	321	–	–	30 321
Investec Bank	98	Fixed	Yes	Fixed	3.90%	15-Jul-21	15 000	157	–	–	15 157
Investec Bank	94	Fixed	Yes	Fixed	3.90%	15-Jul-21	15 000	151	–	–	15 151
Investec Bank	89	Fixed	Yes	Fixed	3.90%	27-Jul-21	20 000	190	–	–	20 190
Investec Bank	85	Fixed	Yes	Fixed	3.90%	30-Jul-21	15 000	136	–	–	15 136
Investec Bank	80	Fixed	Yes	Fixed	3.85%	30-Jul-21	10 000	84	–	–	10 084
Investec Bank	74	Fixed	Yes	Fixed	3.80%	30-Jul-21	40 000	308	–	–	40 308
Nedbank	73	Fixed	Yes	Fixed	3.55%	21-May-21	40 000	284	–	–	40 284
Nedbank	83	Fixed	Yes	Fixed	3.60%	27-May-21	125 000	1 023	–	–	126 023
Nedbank	79	Fixed	Yes	Fixed	3.60%	28-May-21	25 000	195	–	–	25 195
Nedbank	78	Fixed	Yes	Fixed	3.60%	28-May-21	25 000	192	–	–	25 192
Nedbank	72	Fixed	Yes	Fixed	3.60%	4-Jun-21	20 000	142	–	–	20 142
Nedbank	71	Fixed	Yes	Fixed	3.60%	4-Jun-21	20 000	140	–	–	20 140
Nedbank	73	Fixed	Yes	Fixed	3.70%	11-Jun-21	35 000	259	–	–	35 259
Nedbank	90	Fixed	Yes	Fixed	3.65%	15-Jun-21	150 000	1 350	–	–	151 350
Nedbank	88	Fixed	Yes	Fixed	3.75%	25-Jun-21	170 000	1 537	–	–	171 537
Nedbank	365	Fixed	Yes	Fixed	4.50%	30-Jun-21	715	32	–	–	747
Nedbank	365	Fixed	Yes	Fixed	4.50%	30-Jun-21	590	27	–	–	617
Nedbank	365	Fixed	Yes	Fixed	4.50%	30-Jun-21	290	13	–	–	303
Nedbank	237	Fixed	Yes	Fixed	3.45%	30-Jun-21	1 479	33	–	–	1 512
Nedbank	72	Fixed	Yes	Fixed	3.70%	30-Jun-21	25 000	182	–	–	25 182
Nedbank	71	Fixed	Yes	Fixed	3.70%	30-Jun-21	10 000	72	–	–	10 072
Nedbank	70	Fixed	Yes	Fixed	3.70%	30-Jun-21	30 000	213	–	–	30 213
Nedbank	69	Fixed	Yes	Fixed	3.70%	30-Jun-21	10 000	70	–	–	10 070
Nedbank	49	Fixed	Yes	Fixed	3.65%	30-Jun-21	15 000	74	–	–	15 074
Nedbank	48	Fixed	Yes	Fixed	3.65%	30-Jun-21	15 000	72	–	–	15 072
Nedbank	92	Fixed	Yes	Fixed	3.75%	2-Jul-21	55 000	520	–	–	55 520
Nedbank	92	Fixed	Yes	Fixed	3.75%	2-Jul-21	60 000	567	–	–	60 567
Nedbank	92	Fixed	Yes	Fixed	3.75%	2-Jul-21	60 000	567	–	–	60 567
Nedbank	87	Fixed	Yes	Fixed	3.75%	9-Jul-21	20 000	179	–	–	20 179
Nedbank	86	Fixed	Yes	Fixed	3.75%	9-Jul-21	20 000	177	–	–	20 177
Nedbank	97	Fixed	Yes	Fixed	3.80%	15-Jul-21	25 000	252	–	–	25 252
Nedbank	100	Fixed	Yes	Fixed	3.80%	15-Jul-21	75 000	781	–	–	75 781
Nedbank	98	Fixed	Yes	Fixed	3.80%	15-Jul-21	50 000	510	–	–	50 510
Nedbank	94	Fixed	Yes	Fixed	3.80%	15-Jul-21	25 000	245	–	–	25 245
Nedbank	92	Fixed	Yes	Fixed	3.75%	16-Jul-21	15 000	142	–	–	15 142
Nedbank	92	Fixed	Yes	Fixed	3.75%	16-Jul-21	20 000	189	–	–	20 189
Nedbank	92	Fixed	Yes	Fixed	3.75%	16-Jul-21	25 000	236	–	–	25 236
Nedbank	79	Fixed	Yes	Fixed	3.75%	23-Jul-21	35 000	284	–	–	35 284
Nedbank	92	Fixed	Yes	Fixed	3.75%	27-Jul-21	95 000	898	–	–	95 898
Nedbank	89	Fixed	Yes	Fixed	3.75%	27-Jul-21	30 000	274	–	–	30 274
Nedbank	85	Fixed	Yes	Fixed	3.75%	30-Jul-21	15 000	131	–	–	15 131
Nedbank	80	Fixed	Yes	Fixed	3.75%	30-Jul-21	20 000	164	–	–	20 164
Nedbank	74	Fixed	Yes	Fixed	3.75%	30-Jul-21	15 000	114	–	–	15 114
Nedbank	426	Fixed	Yes	Fixed	4.70%	30-Jun-22	165	9	–	–	174
Nedbank	426	Fixed	Yes	Fixed	4.70%	30-Jun-22	62 100	3 406	–	–	65 506
Nedbank	426	Fixed	Yes	Fixed	4.70%	30-Jun-22	13 900	762	–	–	14 662
Nedbank	428	Fixed	Yes	Fixed	4.70%	30-Jun-22	21 550	1 188	–	–	22 738

Table continues on next page.

Investments by Maturity Name of institution & investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
	Yrs/Months										
Standard Bank	73	Fixed	Yes	Fixed	3.64%	21-May-21	50 000	364	–	–	50 364
Standard Bank	83	Fixed	Yes	Fixed	3.67%	27-May-21	140 000	1 169	–	–	141 169
Standard Bank	79	Fixed	Yes	Fixed	3.65%	28-May-21	30 000	237	–	–	30 237
Standard Bank	78	Fixed	Yes	Fixed	3.65%	28-May-21	25 000	195	–	–	25 195
Standard Bank	76	Fixed	Yes	Fixed	3.79%	31-May-21	40 000	316	–	–	40 316
Standard Bank	72	Fixed	Yes	Fixed	3.81%	4-Jun-21	30 000	225	–	–	30 225
Standard Bank	71	Fixed	Yes	Fixed	3.80%	4-Jun-21	20 000	148	–	–	20 148
Standard Bank	73	Fixed	Yes	Fixed	3.78%	11-Jun-21	45 000	340	–	–	45 340
Standard Bank	90	Fixed	Yes	Fixed	3.86%	15-Jun-21	230 000	2 189	–	–	232 189
Standard Bank	-	Fixed	Yes	Fixed	3.80%	-	75 000	617	–	–	75 617
Standard Bank	-	Fixed	Yes	Fixed	3.83%	-	175 000	1 616	–	–	176 616
Standard Bank	-	Fixed	Yes	Fixed	3.78%	-	50 000	373	–	–	50 373
Standard Bank	-	Fixed	Yes	Fixed	3.75%	-	10 000	73	–	–	10 073
Standard Bank	-	Fixed	Yes	Fixed	3.77%	-	35 000	253	–	–	35 253
Standard Bank	-	Fixed	-	-	3.78%	-	15 000	107	–	–	15 107
Standard Bank	-	Fixed	-	-	3.72%	-	15 000	75	–	–	15 075
Standard Bank	-	Fixed	-	-	3.72%	-	20 000	98	–	–	20 098
Standard Bank	-	Fixed	-	-	3.81%	-	30 000	272	–	–	30 272
Standard Bank	-	Fixed	-	-	3.81%	-	20 000	180	–	–	20 180
Standard Bank	-	Fixed	-	-	3.86%	-	30 000	308	–	–	30 308
Standard Bank	-	Fixed	-	-	3.90%	-	80 000	855	–	–	80 855
Standard Bank	-	Fixed	-	-	3.86%	-	60 000	622	–	–	60 622
Standard Bank	-	Fixed	-	-	3.84%	-	60 000	593	–	–	60 593
Standard Bank	-	Fixed	-	-	3.81%	-	35 000	289	–	–	35 289
Standard Bank	-	Fixed	-	-	3.86%	-	25 000	243	–	–	25 243
Standard Bank	-	Fixed	-	-	3.86%	-	20 000	195	–	–	20 195
Standard Bank	-	Fixed	-	-	3.85%	-	30 000	285	–	–	30 285
Standard Bank	-	Fixed	-	-	3.84%	-	40 000	375	–	–	40 375
Standard Bank	-	Fixed	-	-	3.82%	-	50 000	445	–	–	50 445
Standard Bank	-	Fixed	-	-	3.80%	-	35 000	292	–	–	35 292
Standard Bank	-	Fixed	-	-	3.78%	-	60 000	460	–	–	60 460
ABSA Bank	-	Call deposit	-	-	3.50%	-	347 538	–	(70 000)	–	277 538
Firststrand Bank	-	Call deposit	-	-	3.35%	-	65 358	–	–	4 642	70 000
Investec Bank	-	Call deposit	-	-	3.35%	-	225 748	–	(125 749)	–	100 000
Nedbank	-	Call deposit	-	-	3.35%	-	135 436	–	(55 436)	–	80 000
Standard Bank	-	Call deposit	-	-	3.50%	-	546 965	–	(166 966)	–	379 999
Nedbank current account	-	Current account	-	-	3.30%	-	210 273	–	(666)	–	209 606
Fund Managers	-	-	-	-	-	-	6 945 429	–	(4 564 191)	–	2 381 238
Liberty, RMB and Nedbank sinking fund	-	-	-	-	-	-	2 943 805	–	–	–	2 943 805
Cash in transit	-	-	-	-	-	-	50 866	–	(2 035)	–	48 831
CTICC	-	-	-	-	-	-	307 442	–	–	–	307 442
ABSA IRT Bank account	-	-	-	-	-	-	15 848	–	–	1 382	17 229
COLD	-	-	-	-	-	-	71 102	–	(42)	–	71 060
TOTAL INVESTMENTS AND INTEREST							18 516 600	–	(4 985 086)	6 024	13 601 790

2.6.2 Medium-term outlook: capital revenue

The table below provides a breakdown of the funding composition of the City's 2021/22 medium-term capital programme.

Table 45 - Sources of capital revenue over the MTREF

Funding Source R thousand	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year +1 2022/23	%	Budget Year +2 2023/24	%
Funded by:								
National Government	1 730 291		3 050 778		2 819 321		2 671 759	
Provincial Government	13 616		15 866		42 207		98 927	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	65 486		72 198		100 117		106 745	
Transfers recognised - capital	1 809 393	24.5%	3 138 842	37.8%	2 961 645	32.5%	2 877 431	25.1%
Borrowing	–	0.0%	2 500 000	30.1%	4 500 000	49.4%	7 000 000	61.0%
Internally generated funds	5 566 504	75.5%	2 675 925	32.2%	1 648 903	18.1%	1 598 687	13.9%
Total Capital Funding	7 375 897	100.0%	8 314 767	100.0%	9 110 548	100.0%	11 476 119	100.0%

Sources of capital revenue for the 2021/22 financial year are graphically represented below.

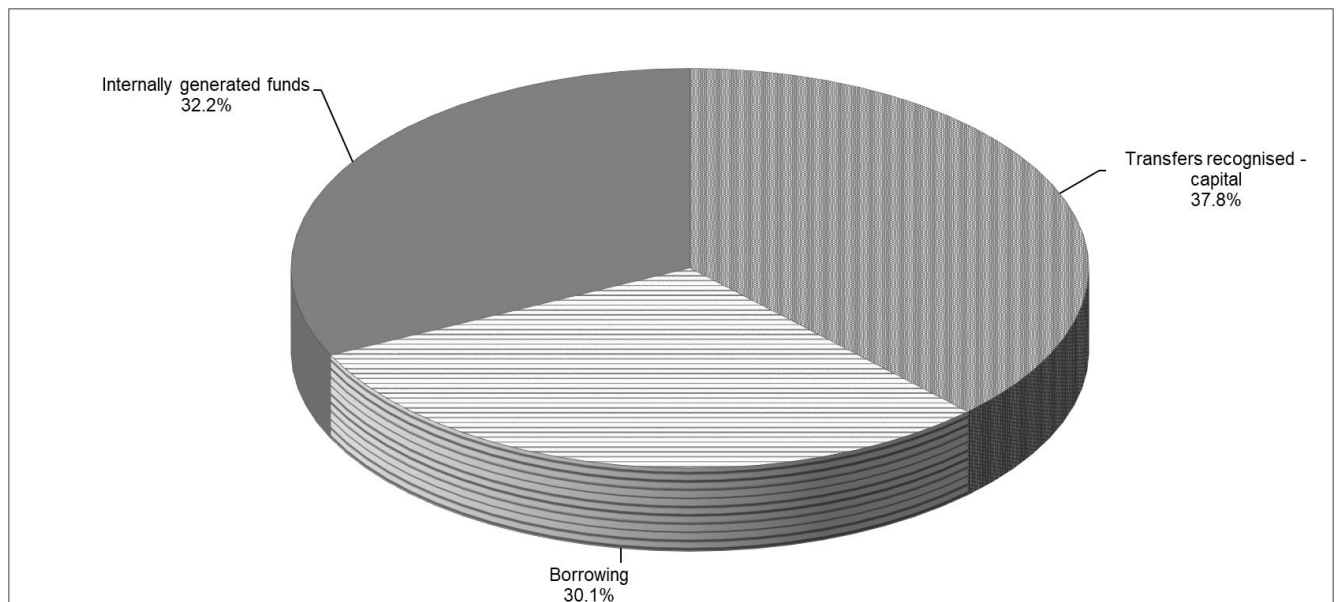


Figure 11 Sources of capital revenue for the 2021/22 financial year

Grants from national- and provincial government as well as other external sources still remain a significant funding source for the 2021/22 - 2023/24 capital budget.

Transfers recognised – capital

Transfers recognised – capital amounts to R3 139 million in 2021/22, R2 962 million in 2022/23 and R2 877 million in 2023/24, decreasing from 37.8% to 25.1% as a percentage of the total capital budget over the MTREF.

Capital transfers and grants from national- and provincial government and other grant providers for the 2021/22 MTREF are reflected in the ensuing table.

Table 46 - MBRR Table SA18 - Capital transfers and grants receipts

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Transfers and Grants	150 423	563 500	2 391 922	2 803 382	1 730 291	1 714 559	3 050 778	2 819 321	2 671 759
National Government:									
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	–	–	10 425	9 050	8 175	8 175	9 200	9 400	–
National Government - Other: Previous years' Dora allocations	143 314	563 500	–	50	–	–	–	–	–
National Treasury: Expanded Public Works Programme	–	–	594	1 206	1 342	1 342	700	–	–
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	–	–	–	291 515	271 098	260 882	441 997	465 503	479 701
National Treasury: Infrastructure Skills Development Grant	–	–	–	–	1 000	1 000	1 000	1 000	–
National Treasury: Integrated City Development Grant	5 000	–	52 723	53 040	45 169	45 169	–	–	–
National Treasury: Local Government Restructuring Grant	–	–	–	280	280	280	60	190	–
National Treasury: Neighbourhood Development Partnership Grant	2 109	–	42 000	59 636	16 600	16 600	45 000	45 000	45 000
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	–	–	–	1 045 000	318 270	305 825	1 433 000	1 089 000	874 000
National Treasury: Urban Settlements Development Grant	–	–	1 387 491	1 007 028	801 779	825 382	753 284	835 781	882 497
Transport: Public Transport Network Grant	–	–	898 689	336 578	266 578	249 905	366 537	373 446	390 560
Provincial Government:	10 000	10 000	32 710	12 446	13 616	13 616	15 866	42 207	98 927
Cultural Affairs and Sport: Development of Sport and Recreation Facilities	–	–	779	1 000	–	–	–	–	–
Cultural Affairs and Sport: Library Services: Metro Library Grant	10 000	10 000	10 000	10 550	11 574	11 574	5 400	5 492	5 585
Economic Development and Tourism: Provide resources for the tourism safety law enforcement unit project	–	–	6	896	1 330	1 329	–	–	–
Housing: Integrated Housing and Human Settlement Development Grant	–	–	–	–	712	712	10 466	36 715	93 342
LEAP	–	–	19 039	–	–	–	–	–	–
Cultural Affairs and Sport - Provincial Library Services	–	–	2 607	–	–	–	–	–	–
Municipal accreditation and capacity building grant	–	–	279	–	–	–	–	–	–
Other grant providers:	99 263	79 453	65 467	67 986	65 486	63 634	72 198	100 117	106 745
Other: Other	99 263	79 453	65 467	67 986	65 486	63 634	72 198	100 117	106 745
Total Capital Transfers and Grants	259 686	652 953	2 490 098	2 883 814	1 809 393	1 791 808	3 138 842	2 961 645	2 877 431

Borrowing

Borrowing continues to be one of the major sources of funding of the 2021/22 – 2023/24 capital budget.

The borrowing amount for the 2021/22 financial year, as reflected in Table 45, includes certain rollovers where directorates have already indicated that they will not be able to spend the full 2020/21 budgetary allocation by year-end.

An analysis of the City's borrowing liability is contained in the ensuing table.

Table 47 - MBRR Table SA17 - Detail of borrowing

Borrowing - Categorised by type R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Long-Term Loans (non-annuity)	1 403 697	1 286 456	2 021 888	2 958 113	1 804 669	1 804 669	3 918 565	7 591 389	14 101 767
Marketable Bonds	5 088 841	4 984 481	4 850 000	4 880 464	4 775 893	4 775 893	3 670 563	2 366 091	261 324
Total Borrowing	6 492 538	6 270 937	6 871 888	7 838 577	6 580 562	6 580 562	7 589 128	9 957 480	14 363 091

The following graph illustrates the growth in outstanding borrowing for the 2021/22 to 2023/24 period.

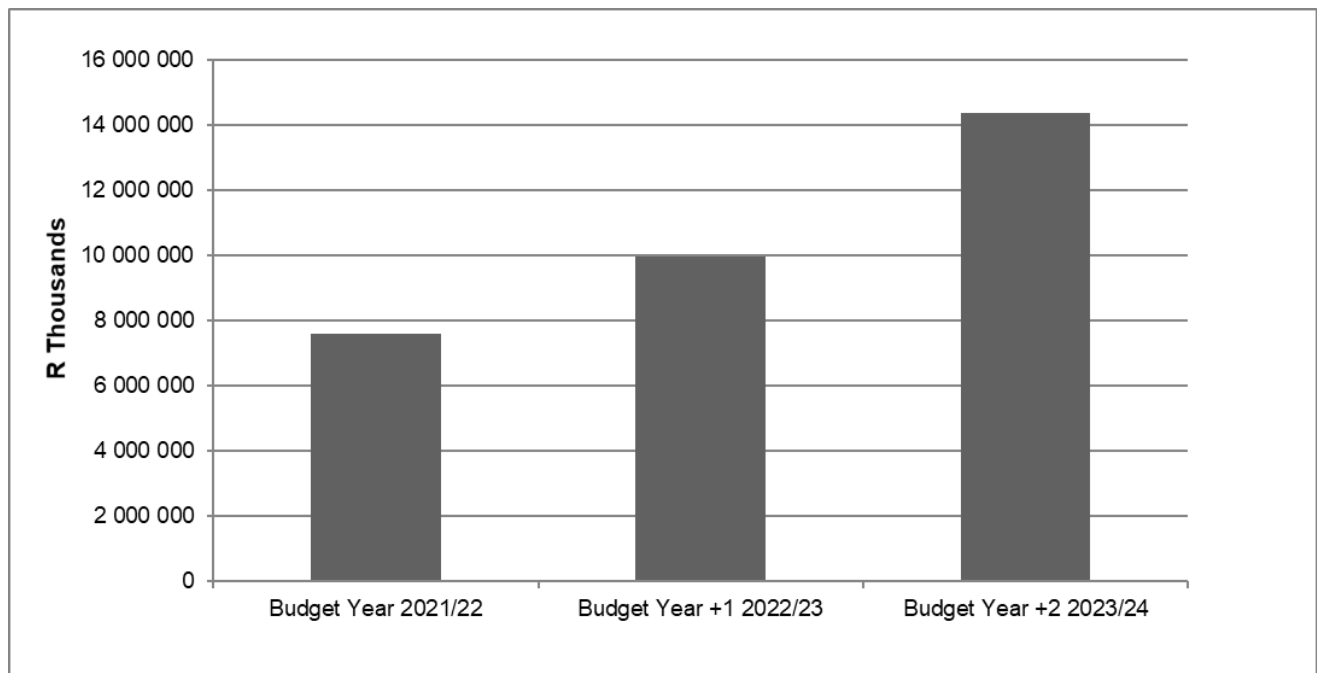


Figure 12 Growth in outstanding borrowings (long-term liabilities)

Internally generated funds are funded in accordance with Section 18 of the MFMA, which requires that the annual budget must be funded from, inter alia, cash-backed accumulated funds from previous years' surpluses not committed for other purposes.

The internally-funded component of the capital budget is mainly funded from:

- previous years' accumulated surpluses;
- contributions made to a Capital Replacement Reserve (CRR) in the previous year's operating budget; and
- Development charges which were already collected.

The levels of contributions made to the CRR in the previous year's operating budget are considered within the MTREF process to determine affordability and sustainability. Internally generated funds amount to R2 677 million, R1 649 million and R1 599 million respectively, over the MTREF.

The percentage of internally generated funds in relation to the total annual budget fluctuates from 32.2% in 2021/22 to 18.1% in 2022/23 and 13.9% in 2023/24.

Cash Flow Management

Table 48 - MBRR Table A7 - Budgeted cash flow statement

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	8 470 387	9 319 556	9 296 655	10 031 409	10 136 463	10 136 463	10 544 767	11 070 877	11 593 784
Service charges	18 160 336	20 600 259	19 396 197	18 045 505	18 364 553	18 364 553	21 640 699	23 964 870	26 518 325
Other revenue	2 472 152	2 573 710	3 798 052	4 122 832	3 968 169	3 968 169	4 049 121	4 215 418	4 278 164
Transfers and Subsidies - Operational	4 011 324	4 468 913	4 945 515	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Transfers and Subsidies - Capital	1 733 466	2 079 448	1 911 311	2 815 828	1 873 990	1 873 990	3 200 628	3 001 675	2 917 140
Interest	1 150 625	1 427 759	1 642 305	847 535	976 104	976 104	855 119	912 415	884 108
Payments									
Suppliers and employees	(27 959 017)	(30 505 458)	(33 265 559)	(36 939 655)	(37 074 094)	(37 074 094)	(38 966 571)	(41 035 995)	(43 671 675)
Finance charges	(689 670)	(717 853)	(718 927)	(753 329)	(753 329)	(753 329)	(740 582)	(1 223 407)	(1 458 443)
Transfers and Grants	–	–	–	–	–	–	(464 263)	(404 613)	(362 078)
NET CASH FROM/(USED) OPERATING ACTIVITIES	7 349 603	9 246 334	7 005 549	3 778 849	3 629 948	3 629 948	5 769 282	6 275 910	6 056 882
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	98 239	151 009	73 195	117 986	119 486	119 486	124 139	154 448	163 521
Decrease (increase) in non-current receivables	15 030	7 513	10 826	3 390	963	963	(751)	(97)	(99)
Decrease (increase) in non-current investments	(561 572)	(936 202)	(886 819)	(298 475)	(298 475)	(298 475)	(331 962)	634 400	910 171
Payments									
Capital assets	(5 588 905)	(5 392 818)	(5 970 668)	(8 645 287)	(6 638 307)	(6 638 307)	(8 314 767)	(9 110 548)	(11 476 119)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(6 037 208)	(6 170 498)	(6 773 466)	(8 822 386)	(6 816 334)	(6 816 334)	(8 523 340)	(8 321 797)	(10 402 526)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	1 000 000	196 420	1 091 580	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Increase (decrease) in consumer deposits	29 950	29 302	8 459	45 206	(13 344)	(13 344)	17 110	19 145	20 899
Payments									
Repayment of borrowing	(305 920)	(368 901)	(384 828)	(371 495)	(371 495)	(371 495)	(371 495)	(1 674 828)	(2 011 495)
NET CASH FROM/(USED) FINANCING ACTIVITIES	724 030	(143 179)	715 211	2 173 711	(384 839)	(384 839)	2 145 615	2 844 317	5 009 404
NET INCREASE/ (DECREASE) IN CASH HELD	2 036 425	2 932 657	947 294	(2 869 825)	(3 571 224)	(3 571 224)	(608 444)	798 430	663 761
Cash/cash equivalents at the year begin:	3 450 194	5 486 619	8 419 276	7 530 759	9 366 569	9 366 569	5 795 344	5 186 901	5 985 330
Cash/cash equivalents at the year end:	5 486 619	8 419 276	9 366 570	4 660 933	5 795 344	5 795 344	5 186 901	5 985 330	6 649 091

The above table shows the cash and cash equivalents of the City over the tabled 2021/22 MTREF. The City continues to embark on an extensive debt collection process to boost cash levels. These initiatives and interventions have translated into a positive cash position for the City.

For the 2021/22 MTREF, the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R5 187 million in 2021/22, R5 985 million in 2022/23 and R6 450 million in 2023/24.

2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

The following table meets the requirements of MFMA Circular 42, which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 49 - MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash and investments available									
Cash/cash equivalents at the year end	5 486 619	8 419 276	9 366 570	4 660 933	5 795 344	5 795 344	5 186 901	5 985 330	6 649 091
Other current investments > 90 days	1 981 576	2 532 330	2 436 050	1 965 995	1 965 995	1 965 995	1 634 033	2 268 433	3 178 604
Non current assets - Investments	5 111 773	5 342 557	6 267 808	5 908 894	5 908 894	5 908 894	6 240 856	5 606 456	4 696 285
Cash and investments available:	12 579 967	16 294 163	18 070 428	12 535 822	13 670 233	13 670 233	13 061 790	13 860 219	14 523 980
Application of cash and investments									
Unspent conditional transfers	1 067 745	1 298 170	1 392 172	1 740 833	1 499 161	1 499 161	1 563 531	1 638 697	1 724 596
Unspent borrowing	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(550 927)	(1 660 992)	(1 171 751)	(2 781 234)	(1 609 248)	(1 609 248)	(3 144 555)	(3 561 429)	(4 459 949)
Other provisions	–	–	–	1 297 295	1 297 295	1 297 295	1 264 232	1 301 814	1 374 035
Long term investments committed	2 264 754	2 503 755	2 771 615	3 070 090	3 070 090	3 070 090	3 402 669	2 768 888	1 859 336
Reserves to be backed by cash/investments	3 465 081	4 798 920	5 905 551	4 568 179	4 957 873	4 957 873	4 246 206	4 606 360	5 042 530
Total Application of cash and investments:	6 246 653	6 939 854	8 897 587	7 895 163	9 215 171	9 215 171	7 332 084	6 754 330	5 540 548
Surplus(shortfall)	6 333 314	9 354 309	9 172 841	4 640 659	4 455 062	4 455 062	5 729 706	7 105 889	8 983 432

From the above table it can be seen that the surplus for 2021/22 is R5 730 million increasing to R8 983 million in 2023/24.

The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants): These include amounts rolled over relating mainly to existing multi-year projects.
- Unspent borrowing: There are no unspent borrowing from previous years.
- Provisions for statutory requirements: The City does not make provision for statutory requirements in this section of the budget as the City is mostly in a refund position.
- Other working capital and other provisions: The main purpose of other working capital/other provisions is to ensure that sufficient funds are available to meet obligations as it falls due. A provision equivalent to one and a half times the monthly operational expenditure has been provided for.

- Long term investments committed: Long term investments consist of the sinking funds for the repayment of current and future borrowings. This amount is “held to maturity” and is not available for spending.
- Reserves to be backed by cash / investments: Although the cash-backing of reserve funds is discretionary in nature and need not be fully cash backed, the City’s reserve funds are fully cash-backed

The following graph supplies an analysis of the trends relating to cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a three-year perspective:

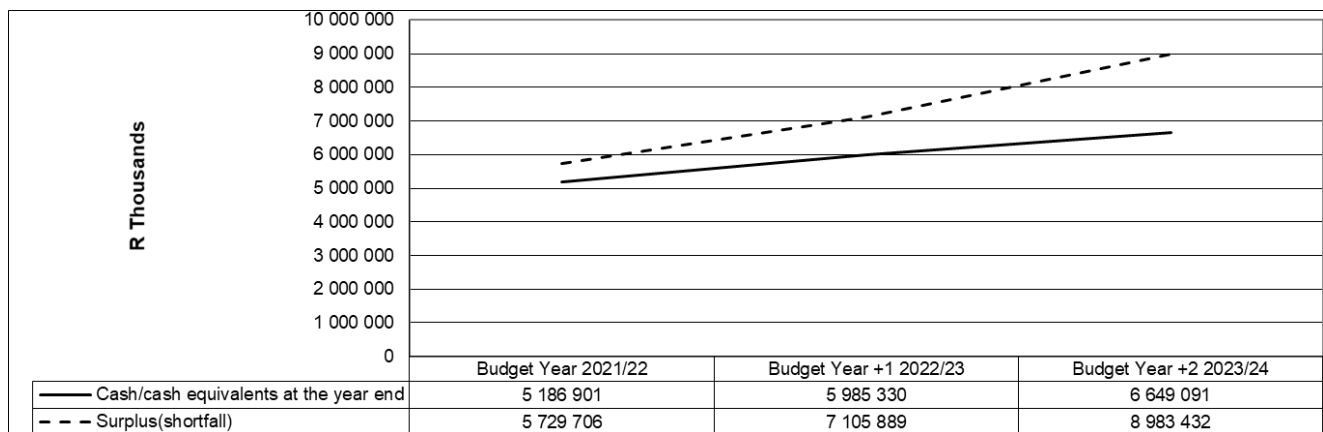


Figure 13 Cash and cash equivalents / cash backed reserves and accumulated funds

2.6.4 Funding Compliance Measurement

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years’ surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in Sections 17 and 19 of the MFMA.

To give effect to the above MFMA requirements, municipalities are required to assess their proposed budget against fourteen different measures developed by NT. The measures evaluate various financial health aspects of a municipality’s budget and are made up of information sourced from the budget document. The City’s funding compliance outcome in respect of these measures are presented in Table 50 MBRR Table SA10 - Funding Compliance measurement and discussed below.

Table 50 - MBRR Table SA10 - Funding compliance measurement

Description	MFMA section	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	5 486 619	8 419 276	9 366 570	4 660 933	5 795 344	5 795 344	5 186 901	5 985 330	6 649 091
Cash + investments at the yr end less applications - R'000	18(1)b	6 333 314	9 354 309	9 172 841	4 640 659	4 455 062	4 455 062	5 729 706	7 105 889	8 983 432
Cash year end/monthly employee/supplier payments	18(1)b	2.36	3.31	3.28	1.45	1.81	1.81	1.52	1.70	1.80
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	5 696 766	6 242 064	4 369 410	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	4.7%	0.1%	(5.3%)	(6.0%)	(6.0%)	3.8%	2.8%	2.7%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	99.1%	101.9%	97.0%	90.1%	91.0%	91.0%	93.0%	93.3%	93.5%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	5.3%	5.6%	9.3%	12.0%	10.6%	10.6%	8.1%	7.7%	6.7%
Capital payments % of capital expenditure	18(1)c;19	99.7%	101.4%	100.0%	90.0%	90.0%	93.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	26.3%	6.1%	27.1%	37.2%	0.0%	0.0%	48.3%	73.2%	81.4%
Grants % of Govt. legislated/gazetted allocations	18(1)a							101.7%	101.0%	100.5%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	11.2%	4.7%	13.0%	7.7%	0.0%	6.8%	7.5%	9.4%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(0.9%)	(94.6%)	37.6%	(94.0%)	0.0%	(78.0%)	(45.6%)	(85.3%)
R&M % of Property Plant & Equipment	20(1)(vi)	8.8%	8.3%	7.6%	8.2%	7.6%	7.6%	7.2%	6.8%	6.3%
Asset renewal % of capital budget	20(1)(vi)	27.1%	28.2%	28.5%	24.7%	27.8%	27.8%	23.2%	25.0%	27.4%

2.6.4.1 Cash/cash equivalent position

An increasing positive cash position is shown over the forecasted 2021/22 MTREF, indicating that the medium term budget is affordable and sustainable. The cash position is mainly as a result of a favourable opening cash balance.

2.6.4.2 Cash plus investment less application of funds

This measure shows how a municipality applies its available cash and investments. Total of cash plus investment less applications is more than the commitments for each corresponding year of the 2021/22 MTREF, which shows that the City is able to afford its commitments over the medium term.

2.6.4.3 Cash year end/monthly employee/supplier payments

This measure outlines the level of financial risk, should the municipality be under stress, i.e. it indicates the number of times average monthly payments are covered. This ratio outcome averages 1.7 over the MTREF.

2.6.4.4 Surplus/deficit excluding depreciation offsets

The purpose of this measure is to highlight whether revenue levels are sufficient to conclude that the community is making a significant contribution towards the municipal resources consumed each year. The outcome shows a surplus over the MTREF, which means that the community is making an adequate contribution towards the economic benefits being consumed by the City.

2.6.4.5 Property rates/service charge revenue as a percentage increase less macro inflation target

This measure tests whether the municipality is contributing appropriately to the achievement of the national inflation targets.

The ratio outcome shows an increase of 3.8% above the CPI threshold of 6% for 2021/22 and averages 2.8% for the outer years of the 2021/22 MTREF. Rates and tariff services revenue increases are below 6%, with the exclusion of Electricity service charges in 2021/22. The higher than CPI increase for Electricity are explained below.

On 16 February 2021 NERSA was ordered by the High Court of South Africa to add R10 billion to Eskom's allowable revenue to be recovered in the 2021/22 financial year. This also follows the approval of Eskom's Regulatory Clearing Account (RCA) applications for year 2 (2014/15), year 3 (2015/16) and year 4 (2016/17) of the third Multi-Year Price Determination (MYPD3) period and Eskom's supplementary tariff application for the 2018/19 financial year of R4 749 million and R1 288 million respectively, be recovered in the 2021/22 financial year. A municipal guideline increase of 14.59% was approved by NERSA according to the Guideline on municipal electricity price increases for 2021/22 dated 15th May 2021.

The nature of business for the Electricity service is the purchasing and redistribution of electricity, where bulk purchases averages 65% of the services budget. The Electricity revenue increase is therefore mainly as a result of the Eskom approved average increase of 17.8% on bulk purchases. The full impact of this increase was however not carried over to the consumer. In an effort to lower revenue increases, the Electricity department implemented cost saving measures on various expenditure types, such as reducing the staff budget, but also improved on the collection of debt. Based on the above, the electricity average revenue increases are 13.48%, 13.18% and 13.36%, respectively over the 2021/22 MTREF.

2.6.4.6 Cash receipts as a percentage of ratepayer and other revenue

This is a macro measure of the rate at which funds are 'collected'. The expected purpose of this measure is to analyse an underlying assumed collection rate. The ratio outcome for 2021/22 is 93% improving to 93.5% in 2023/24. This collection rate is deemed realistic, as it is based on past and current trends. Initiatives are continuously put in place to improve revenue collection.

2.6.4.7 Debt impairment expense as a percentage of billable revenue

To measure whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment has to be increased to offset under-collection. This ratio is consistent with the forecasted average debt collection rate.

2.6.4.8 Capital payments percentage of capital expenditure

The purpose of this measure is to understand whether the timing of payments is being taken into consideration when forecasting the cash position. A 100% ratio is shown over the forecasted MTREF considering the full cost of capital expenditure.

2.6.4.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measure is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds. The City's long term borrowing is done in terms of chapter 6 of the MFMA, where a long term loan will only be entered into if it's affordable and sustainable. The ratio shows an outcome of 67.6% on average over the MTREF, showing that the City is borrowing less than capital expenditure, therefore sustainable and compliant to the MFMA.

2.6.4.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measure is to ensure that all available transfers from all spheres of government have been included in the budget. The City's budget was compiled using the 2021 DoRB and Provincial Gazette Extraordinary 8400 of March 2021.

This ratio outcome averages 101.1% over the 2021/22 MTREF. The result is slightly higher than 100% due to the following:

- Interest of previous years' grants included;
- Funding received where a memorandum of agreement is in place but not included in the DoRb on the following grants:
 - Department of Environmental Affairs and Tourism;
 - National Skills Fund grant; and
 - General Budget Support grant but is not included in DoRb.

2.6.4.11 Consumer debtors change (current and non-current)

The purpose of this measure is to ascertain whether budgeted reductions in outstanding debtors are realistic. The ratio increases by an average of 7.9% over the MTREF. The increase in this ratio is driven by the increase in consumer debtors, other debtors and long term receivables.

2.6.4.12 Long term receivables % change

Long term receivables include 'arrangement debtors' to be paid by the debtor over an extended period of time. Long term receivable is projected to reduce by 78% in 2021/22. This reduction is due to the inclusion of the associated impairment of the Housing Selling Schemes long-term receivables.

2.6.4.13 Repairs and maintenance expenditure level

This ratio is to indicate whether sufficient provision is made, in respect of repairs and maintenance for property, plant and equipment. This ratio outcome for 2021/22 is 7.2%, slightly lower than the National Treasury benchmark of 8%. This is mainly due to the adverse impact of COVID-19 pandemic which decelerated the ability to spend on repairs and maintenance.

2.6.4.14 Asset renewal % of capital budget

This measure focuses on the credibility of the levels of asset renewal plans. The objective is to summarise and understand the proportion of budgets being provided for new assets, as well as asset sustainability.

Renewal of existing assets is split between renewal of existing assets and upgrading of existing assets.

This ratio only takes into consideration the renewal of existing assets portion over the total capital budget and shows an outcome averaging 25.2% over the 2021/22 MTREF.

Considering both renewal and upgrading of existing assets as a percentage of total capital budget, the ratio outcome will average of 51.8% over the 2021/22 MTREF. This is higher than the NT norm of 40% to be invested in renewal and upgrading of existing assets.

2.7 Ward Allocations

It is proposed that the City allocates budgetary resources for projects, programmes or other initiatives' application at subcouncil level. While these resources will be spent by line departments, subcouncils identify and recommend ward allocation adoption (following sundry internal line departmental input and liaison) by MayCo and Council.

The City has 116 demarcated wards, which forms part of 24 subcouncils. These subcouncils serve the residents by engaging with them on municipal issues. The total available to each ward for the 2021/22 financial year is set at R1 million per ward. These allocations could be spent on either capital or operating projects/programmes.

A ward allocation project must form part of the core business activities and assets of the lead department and must be aligned with the Service Delivery Business Implementation Plan of the directorate. Ward allocation projects must, as far as possible, be completed within the financial year in which approved. However, unspent capital funds may be rolled over to the next financial year, where compelling reasons exist for such roll-over.

2.8 Expenditure on transfers and grant programmes

Table 51 - MBRR Table SA19 - Expenditure on transfers and grant programmes

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Operating expenditure of Transfers and Grants									
National Government:	2 795 238	3 108 497	3 460 973	4 152 309	4 596 693	4 596 693	4 239 294	4 283 421	4 317 552
Local Government Equitable Share	2 292 908	2 574 650	2 815 558	3 081 195	3 509 590	3 509 590	3 215 174	3 454 804	3 505 487
Finance Management grant	1 050	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Urban Settlements Development Grant	49 009	32 326	125 233	137 635	366 153	366 153	219 147	129 764	125 603
Energy Efficiency and Demand Side Management Grant	186	700	640	950	825	825	800	600	–
Dept. of Environ Affairs and Tourism	6 236	38	276	11 219	4 658	4 658	220	–	–
Expanded Public Works Programme	13 783	23 266	24 146	43 566	51 208	51 208	49 072	–	–
Integrated City Development Grant	(4 933)	1 083	2 664	14 904	31 087	31 087	–	–	–
Public Transport Infrastructure & Systems Grant	30 666	24 843	9 822	120 202	44 170	44 170	38 640	38 533	33 500
Infrastructure Skills Development	9 614	9 600	10 963	11 000	9 869	9 869	11 000	11 000	11 000
Public Transport Network Grant	396 719	440 780	468 257	608 396	484 193	484 193	489 103	446 346	464 195
Neighbourhood Development Partnership Grant	–	–	–	6 900	5 934	5 934	5 000	5 000	5 000
Informal Settlements Upgrading Partnership Grant	–	–	–	45 427	43 139	43 139	76 143	83 509	93 509
National Skills Fund	–	–	–	50 320	25 460	25 460	46 276	27 786	–
National Treasury General Budget Support	–	–	–	19 595	19 408	19 408	16 829	10 125	–
Programme And Project Preparation Support Grant	–	–	–	–	–	–	70 890	74 955	78 259
Peninsula Wetlands Rehabilitation Project	–	–	660	–	–	–	–	–	–
Special Projects	–	–	1 740	–	–	–	–	–	–
Terrestrial Invasive Alien Plants	–	–	15	–	–	–	–	–	–
Health & Hygiene Education Informal settlements	–	11	–	–	–	–	–	–	–
Accreditation Development Support	–	200	–	–	–	–	–	–	–
Provincial Government:	1 010 860	1 101 557	1 250 335	1 421 609	1 527 659	1 527 659	1 371 012	1 482 348	1 033 253
Cultural Affairs and Sport - Provincial Library Services	37 344	45 550	47 110	49 192	50 729	50 729	43 116	48 532	49 357
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	4 498	4 944	5 294	5 338	5 374	5 374	5 338	5 429	5 521
Human Settlements - Human Settlement Development Grant	413 409	456 558	448 965	266 999	357 627	357 627	262 554	288 285	244 658
Human Settlements - Municipal Accreditation Assistance	6 089	5 000	11 897	–	–	–	–	–	–
Human Settlement - Settlement Assistance	766	–	–	–	1 102	1 102	–	–	–
Health - TB	27 604	29 095	30 666	81 085	32 138	32 138	87 317	105 645	99 712
Health - ARV	217 701	234 180	257 047	273 756	278 156	278 156	300 230	310 159	310 169
Health - Nutrition	5 200	5 470	5 373	6 548	6 548	6 548	6 664	7 012	6 900
Health - Vaccines	96 299	101 499	98 845	91 661	112 115	112 115	91 661	91 661	91 661
Comprehensive Health	160 593	182 857	195 044	173 489	201 982	201 982	173 489	173 489	173 489
LEAP	–	–	79 568	417 000	431 029	431 029	350 000	400 000	–
Transport and Public Works - Provision for persons with special needs	10 312	8 912	–	10 000	10 102	10 102	10 000	10 000	10 000
Economic Development and Tourism: Public Access	–	–	–	12 689	3 590	3 590	5 480	6 000	6 000
Planning, Maintenance and Rehabilitation of Transport Systems and Infrastructure	2 158	–	–	–	–	–	–	–	–
Community Safety - Law Enforcement Auxiliary Services	28 255	5 692	4 207	4 388	4 917	4 917	4 629	4 852	5 070
Community Development Workers	402	701	451	1 034	2 618	2 618	1 001	1 001	1 001
Finance Management Capacity Building Grant	–	280	500	400	300	300	250	–	–
Provincial Government: Financial Management Support	230	230	0	–	–	–	–	–	–
Provincial Contribution towards addressing Natural Disasters	–	2 500	230	–	–	–	–	–	–
Transport Safety and Compliance - Rail Safety	–	9 483	–	18 000	14 000	14 000	19 000	20 000	20 000
Aerial support fire suppression	–	–	–	–	–	–	–	–	–
Establishment and Support K9 unit	–	365	4 258	2 530	3 207	3 207	2 783	2 783	2 215
Municipal accreditation and capacity building grant	–	–	–	7 500	10 325	10 325	7 500	7 500	7 500
Human Settlements - Tittle deeds restoration	–	–	26 711	–	–	–	–	–	–
Municipal Land Transform	–	–	33 699	–	–	–	–	–	–
Human Settlements- Housing Consumer Education Manuals	–	108	8	–	–	–	–	–	–
Human Settlements- Eradication of registration backlog	–	3 133	421	–	1 800	1 800	–	–	–
Municipal Disaster grant	–	5 000	41	–	–	–	–	–	–

Table continues on next page

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Other grant providers:	21 686	22 014	24 450	34 805	10 409	10 409	36 625	5 310	3 000
Tourism	2 000	2 000	1 322	–	95	95	–	–	–
CMTF	4 414	2 323	1 059	–	–	–	15 400	3 000	3 000
CID	5 242	5 422	5 991	3 586	5 272	5 272	2 052	–	–
Century City	837	539	532	–	618	618	618	–	–
Westcott Primary School - Traffic Attendant	41	43	36	–	50	50	43	–	–
Airports Company South Africa SOC Ltd	1 333	1 333	1 710	–	–	–	–	–	–
Rockefeller Philanthropy Advisor's Inc	1 033	1 113	–	–	–	–	–	–	–
V & A Traffic Officer	772	853	778	–	949	949	–	–	–
The South African Breweries	1 093	2 585	–	–	–	–	–	–	–
Bayside	486	510	224	–	–	–	–	–	–
Big Bay	308	385	94	–	–	–	–	–	–
University of Connecticut	14	–	2	–	71	71	–	–	–
Medicins Sans Frontieres	3 339	–	119	–	–	–	–	–	–
Prasa	–	3 725	11 284	–	–	–	–	–	–
Marine Circle Rent-A-Cop	–	173	–	–	–	–	–	–	–
Grand China	–	166	366	–	–	–	–	–	–
Bergvliet High Part-time Trfc Attendant	–	29	36	50	–	–	–	–	–
CCID - Traffic Wardens	–	744	689	–	958	958	–	–	–
Rustenberg Junior Girls School - Traffic Attendant	41	43	36	–	50	50	43	–	–
PopART -Stellenbosch University	733	28	–	–	–	–	–	–	–
Integrated Public Transport Network	–	–	–	15 400	1 500	1 500	–	–	–
Munich Project - SBLE & Cycling	–	–	174	–	–	–	–	–	–
KFW- Technical Assistance (GDB)	–	–	–	15 000	–	–	15 000	–	–
Orio	–	–	–	770	770	770	3 421	2 310	–
Forres Prep School	–	–	–	–	24	24	19	–	–
The Cape Academy for MST	–	–	–	–	54	54	29	–	–
Total operating expenditure of Transfers and Grants:	3 827 784	4 232 068	4 735 759	5 608 724	6 134 761	6 134 761	5 646 931	5 771 079	5 353 805

Table continues on next page

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Capital expenditure of Transfers and Grants									
National Government:	1 699 597	2 055 630	1 874 750	2 803 382	1 730 291	1 714 559	3 050 778	2 819 321	2 671 759
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	7 435	9 300	10 425	9 050	8 175	8 175	9 200	9 400	–
National Government - Other: Previous years' Dora allocations	–	–	–	50	–	–	–	–	–
National Treasury: Expanded Public Works Programme	400	1 000	594	1 206	1 342	1 342	700	–	–
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	–	–	204 241	291 515	271 098	260 882	441 997	465 503	479 701
National Treasury: Infrastructure Skills Development Grant	986	582	–	–	1 000	1 000	1 000	1 000	–
National Treasury: Integrated City Development Grant	50 045	54 560	40 179	53 040	45 169	45 169	–	–	–
National Treasury: Local Government Restructuring Grant	128	1 156	–	280	280	280	60	190	–
National Treasury: Neighbourhood Development Partnership Grant	2 071	7 166	13 785	59 636	16 600	16 600	45 000	45 000	45 000
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	–	33 000	35 570	1 045 000	318 270	305 825	1 433 000	1 089 000	874 000
National Treasury: Urban Settlements Development Grant	1 029 238	1 127 450	992 631	1 007 028	801 779	825 382	753 284	835 781	882 497
Transport: Public Transport Infrastructure & Systems Grant	–	925	–	–	–	–	–	–	–
Transport Public Transport Infrastructure Grant	(831)	–	–	–	–	–	–	–	–
National Treasury DME Grant	2 739	12 234	–	–	–	–	–	–	–
National Treasury: Accreditation Development Support	–	198	50	–	–	–	–	–	–
National treasury: Restructuring Grant	–	–	341	–	–	–	–	–	–
Department of Environmental Affairs and Tourism	–	1 167	–	–	–	–	–	–	–
Co-operative Governance: Emergency Disaster Relief Fund	20 813	–	–	–	–	–	–	–	–
National Treasury: Municipal Disaster Grant	74 383	31 219	(1)	–	–	–	–	–	–
National Treasury: Municipal Disaster Recovery Grant	–	307 600	199 549	–	–	–	–	–	–
Transport: Public Transport Network Grant	512 190	468 073	377 386	336 578	266 578	249 905	366 537	373 446	390 560
Provincial Government:	33 287	22 430	36 555	12 446	13 616	13 616	15 866	42 207	98 927
Cultural Affairs and Sport: Development of Sport and Recreation Facilities	–	–	772	1 000	–	–	–	–	–
Cultural Affairs and Sport: Library Services: Metro Library Grant	9 958	13 241	10 663	10 550	11 574	11 574	5 400	5 492	5 585
Economic Development and Tourism: Provide resources for the tourism safety law enforcement unit project	–	–	–	896	1 330	1 329	–	–	–
Housing: Integrated Housing and Human Settlement Development Grant	8 030	8 364	3 195	–	712	712	10 466	36 715	93 342
Community Safety: Law Enforcement Auxiliary Services	–	762	–	–	–	–	–	–	–
Cultural Affairs and Sport: Library Services (Conditional Grant)	15 208	–	2 607	–	–	–	–	–	–
Provincial Government: Community Development Workers (CDW) Operational Grant Support	91	63	–	–	–	–	–	–	–
WCG Municipal Accreditation and Capacity Building	–	–	279	–	–	–	–	–	–
Community Safety: Law Enforcement Officers: LEAP	–	–	19 039	–	–	–	–	–	–
Other grant providers:	72 541	49 805	40 524	67 986	65 486	63 634	72 198	100 117	106 745
Other: Other	72 541	49 805	40 524	67 986	65 486	63 634	72 198	100 117	106 745
Total capital expenditure of Transfers and Grants	1 805 425	2 127 865	1 951 830	2 883 814	1 809 393	1 791 808	3 138 842	2 961 645	2 877 431
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	5 633 208	6 359 932	6 687 588	8 492 538	7 944 154	7 926 569	8 785 773	8 732 724	8 231 236

2.9 Allocations and grants made by the municipality

Transfers and grants are allocations made to outside organisations or bodies from the City's approved budget. These allocations are gratuitous/unrequited transfers by the City to the grantee organisations and are not payments made in compliance with any commercial or other business transaction. All transfers and grants are disbursed in terms of section 67 of the MFMA. Application in respect of section 67 grant and grant-in-aid allocations are supported by the City's Grants-in-Aid Committee. Event-related sponsorships are approved by the Executive Mayor as per the City's System of Delegations

The Grants-in-Aid Committee supports grant applications in terms of the City's Grants-in-Aid Policy and the members of the committee are officials of the City appointed by the CFO. The committee co-ordinates, administers, and controls the screening process in respect of applications recommended by line departments and sub-councils to ensure that all recommended grants comply with the City's Grants-in-Aid Policy, the Constitution and relevant legislation.

An advisory committee appointed by the Executive Mayor (in terms of Section 80 of the MFMA) facilitates the selection of events and recommends events which the City wishes to support in terms of the IDP and the City's Events Policy. The members of the committee consist of specific councillors as identified by the Executive Mayor. The committee meets as and when required.

Full disclosure on transfers and grants to external organisations by the City can be found in Annexure 22.

2.10 Councillor and Staff benefits

Table 52 - MBRR Table SA22 – Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	139 878	146 974	143 964	154 911	154 911	154 911	154 911	161 727	169 166
Pension and UIF Contributions	–	4 984	5 100	6 358	6 358	6 358	6 358	6 637	6 943
Medical Aid Contributions	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	–	–	475	638	638	638	638	666	697
Cellphone Allowance	6 977	9 339	9 372	9 544	9 544	9 544	9 544	9 964	10 423
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	8 068	–	8 609	18 225	18 225	18 225	8 376	8 745	9 147
Sub Total - Councillors	154 923	161 297	167 521	189 675	189 675	189 675	179 826	187 739	196 375
% increase		4.1%	3.9%	13.2%	–	–	(5.2%)	4.4%	4.6%
Senior Managers of the Municipality									
Basic Salaries and Wages	23 508	23 285	27 514	32 580	30 998	30 998	30 393	31 730	33 190
Pension and UIF Contributions	1 780	1 341	2 352	3 742	3 175	3 175	2 901	3 028	3 168
Medical Aid Contributions	118	92	150	185	185	185	188	196	205
Overtime	–	–	–	–	–	–	–	–	–
Performance Bonus	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	412	404	641	643	603	603	444	464	485
Cellphone Allowance	120	147	192	290	290	290	297	310	325
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	172	24	334	67	67	67	42	44	46
Payments in lieu of leave	438	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	26 548	25 293	31 183	37 507	35 317	35 317	34 265	35 773	37 418
% increase		(4.7%)	23.3%	20.3%	(5.8%)	–	(3.0%)	4.4%	4.6%
Other Municipal Staff									
Basic Salaries and Wages	7 472 534	8 090 078	9 010 509	10 771 328	10 203 867	10 201 513	10 836 321	11 299 073	11 563 654
Pension and UIF Contributions	1 157 975	1 253 682	1 394 775	1 751 417	1 586 003	1 586 153	1 836 528	1 905 247	1 993 344
Medical Aid Contributions	702 198	746 014	823 268	901 410	900 544	905 544	945 285	986 878	1 032 274
Overtime	602 119	666 269	763 953	698 138	825 867	826 119	838 145	839 923	862 297
Performance Bonus	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	194 044	201 150	209 435	248 056	250 671	250 053	232 146	237 332	242 992
Cellphone Allowance	17 853	22 056	22 764	26 834	31 179	31 751	32 144	33 558	35 102
Housing Allowances	59 361	61 444	65 086	69 645	69 603	69 603	68 776	71 802	75 105
Other benefits and allowances	242 503	261 732	289 411	306 112	322 197	317 851	319 830	333 903	349 262
Payments in lieu of leave	144 677	173 125	292 120	86 607	92 077	92 997	95 681	100 147	104 747
Long service awards	179	511	73 555	49 434	48 522	48 515	81 383	84 964	88 872
Post-retirement benefit obligations	274 623	864 199	(176 418)	280 120	509 590	509 590	292 006	304 854	318 878
Sub Total - Other Municipal Staff	10 868 066	12 340 262	12 768 458	15 189 101	14 840 120	14 839 691	15 578 245	16 197 681	16 666 527
% increase		13.5%	3.5%	19.0%	(2.3%)	(0.0%)	5.0%	4.0%	2.9%
TOTAL SALARY, ALLOWANCES & BENEFITS	11 049 537	12 526 851	12 967 162	15 416 283	15 065 113	15 064 683	15 792 336	16 421 192	16 900 320
% increase	–	13.4%	3.5%	18.9%	(2.3%)	(0.0%)	4.8%	4.0%	2.9%
TOTAL MANAGERS AND STAFF	10 894 614	12 365 554	12 799 642	15 226 608	14 875 438	14 875 008	15 612 510	16 233 454	16 703 945

The salary increases reflected in the above table is based on a prescribed formula, which uses the *adjusted budget* amounts for the 2020/21 financial year, during which period staff costs were reduced via an adjustments budget and allocated as once-off savings to budgetary realities not known at the time of approval of the original 2020/21 budget in May 2020. This calculation differs to the calculation in table 2 (Staff cost per vote), which is based on the *original 2020/21 budget*.

Table 53 - MBRR Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior officials) for the 2021/22 financial year

Disclosure of Salaries, Allowances & Benefits	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum							
<u>Councillors</u>							
Speaker	1	983 246	134 878	154 191			1 272 314
Chief Whip	1	1 155 277	–	45 886			1 201 163
Executive Mayor	1	1 518 572	–	45 886			1 564 458
Deputy Executive Mayor	1	1 091 551	134 878	45 886			1 272 314
Executive Committee	10	11 416 682	112 466	482 479			12 011 627
Total for all other councillors	217	138 745 285	5 975 281	17 784 007			162 504 573
Total Councillors	231	154 910 612	6 357 502	18 558 335			179 826 449
<u>Senior Managers of the Municipality</u>							
Municipal Manager (MM)	1	3 116 680	396 216	29 556	–		3 542 452
Chief Finance Officer	1	2 703 958	279 984	104 988	–		3 088 930
Executive Director: Community Services and Health	1	2 643 571	398 040	47 452	–		3 089 063
Executive Director: Corporate Services	1	2 738 459	332 604	24 025	–		3 095 088
Executive Director: Economic Opportunities and Asset Management	1	1 809 015	794 040	23 984	–		2 627 039
Executive Director: Energy and Climate Change	1	2 522 749	1 788	245 572	–		2 770 109
Executive Director: Human Settlements	1	2 744 342	1 788	24 973	–		2 771 103
Executive Director: Safety and Security	1	2 601 272	1 860	24 972	–		2 628 104
Executive Director: Spatial Planning and Environment	1	2 339 233	351 396	78 540	–		2 769 169
Executive Director: Urban Management	1	2 601 272	1 860	24 972	–		2 628 104
Executive Director: Water and Waste	1	2 200 709	297 588	128 784	–		2 627 081
Executive Director: Transport	1	2 371 840	231 216	25 176	–		2 628 232
Total Senior Managers of the Municipality	12	30 393 100	3 088 380	782 994	–		34 264 474
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	243	185 303 712	9 445 882	19 341 329	–		214 090 924

Table 54 - MBRR Table SA24 - Summary of personnel numbers

Summary of Personnel Numbers		2019/20			Current Year 2020/21			Budget Year 2021/22		
Number		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		231	–	231	231	–	231	231	–	231
Board Members of municipal entities		–	–	–	–	–	–	–	–	–
Municipal employees										
Municipal Manager and Senior Managers		12	–	12	12	–	12	12	–	12
Other Managers		1 014	1 008	6	1 031	1 018	13	1 029	1 026	3
Professionals		1 455	1 367	88	1 630	1 584	46	1 571	1 505	66
<i>Finance</i>		98	98	–	107	105	2	101	99	2
<i>Spatial/town planning</i>		60	60	–	150	150	–	149	148	1
<i>Information Technology</i>		86	85	1	137	134	3	91	80	11
<i>Roads</i>		42	38	4	63	61	2	51	51	–
<i>Electricity</i>		128	126	2	143	143	–	146	145	1
<i>Water</i>		218	182	36	221	220	1	169	166	3
<i>Sanitation</i>		–	–	–	–	–	–	–	–	–
<i>Refuse</i>		16	16	–	18	18	–	21	21	–
<i>Other</i>		807	762	45	791	753	38	843	795	48
Technicians		4 306	4 175	131	4 562	4 414	148	4 745	4 465	280
<i>Finance</i>		160	159	1	167	166	1	164	162	2
<i>Spatial/town planning</i>		186	186	–	360	347	13	367	356	11
<i>Information Technology</i>		437	412	25	342	314	28	399	367	32
<i>Roads</i>		60	57	3	69	64	5	85	81	4
<i>Electricity</i>		333	330	3	426	420	6	404	399	5
<i>Water</i>		422	391	31	506	479	27	387	368	19
<i>Sanitation</i>		–	–	–	–	–	–	–	–	–
<i>Refuse</i>		96	96	–	82	82	–	90	90	–
<i>Other</i>		2 612	2 544	68	2 610	2 542	68	2 849	2 642	207
Clerks (Clerical and administrative)		7 585	7 410	175	7 700	7 500	200	7 181	7 130	51
Service and sales workers		4 210	3 844	366	5 470	4 383	1 087	5 665	4 302	1 363
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		2 768	2 768	–	2 758	2 756	2	2 653	2 650	3
Plant and Machine Operators		3 848	3 839	9	3 919	3 903	16	3 854	3 854	–
Elementary Occupations		5 851	5 846	5	6 083	6 076	7	5 892	5 830	62
TOTAL PERSONNEL NUMBERS		31 280	30 257	1 023	33 396	31 634	1 762	32 833	30 762	2 071
% increase		–	–	–	6.8%	4.6%	72.2%	(1.7%)	(2.8%)	17.5%
Total municipal employees headcount		27 436	26 778	658	29 237	28 057	1 180	29 069	27 986	1 083
Finance personnel headcount		1 716	1 711	5	1 740	1 734	6	1 676	1 671	5
Human Resources personnel headcount		379	365	14	394	383	11	388	381	7

2.11 Monthly targets for revenue, expenditure and cash flow

Table 55 - MBRR Table SA25 - Budgeted monthly revenue and expenditure

Description R thousand	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source															
Property rates	915 344	915 344	915 344	915 344	915 344	915 344	915 344	915 344	915 344	915 344	915 344	915 344	10 984 132	11 532 163	12 076 858
Service charges - electricity revenue	1 443 750	1 506 838	1 438 391	1 337 518	1 316 532	1 202 605	1 340 673	1 176 365	1 209 765	1 160 069	1 332 216	1 269 846	15 734 566	17 571 754	19 655 102
Service charges - water revenue	244 069	258 479	270 333	279 642	294 779	354 039	344 066	334 465	321 038	305 650	292 968	256 817	3 556 345	3 848 376	4 104 016
Service charges - sanitation revenue	121 974	128 326	132 916	137 705	148 295	181 829	176 792	170 230	159 270	150 217	143 142	124 419	1 775 113	1 916 842	2 050 805
Service charges - refuse revenue	110 870	110 870	110 870	110 870	110 870	110 870	110 870	110 870	110 870	110 870	110 870	110 870	1 330 442	1 446 405	1 592 219
Rental of facilities and equipment	29 366	29 366	29 366	29 366	29 366	29 366	29 366	29 366	29 366	29 366	29 366	27 620	350 647	365 397	381 856
Interest earned - external investments	71 260	71 260	71 260	71 260	71 260	71 260	71 260	71 260	71 260	71 260	71 260	71 260	855 119	912 415	884 108
Interest earned - outstanding debtors	37 454	37 454	37 454	37 454	37 454	37 454	37 454	37 454	37 454	37 454	37 454	37 454	449 452	471 822	497 547
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	103 918	103 918	103 918	103 918	103 918	103 918	103 918	103 918	103 918	103 918	103 918	103 918	1 247 015	1 249 177	1 251 390
Licences and permits	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	5 592	67 110	70 197	73 355
Agency services	21 801	21 801	21 801	21 801	21 801	21 801	21 801	21 801	21 801	21 801	21 801	21 801	261 614	282 544	305 147
Transfers and subsidies	390 367	455 540	442 757	459 775	456 430	457 724	433 194	468 084	471 160	515 450	440 091	659 791	5 650 364	5 774 670	5 357 558
Other revenue	266 078	266 078	266 149	266 278	266 278	266 549	266 378	266 278	266 249	266 078	266 078	266 149	3 194 622	3 324 052	3 342 021
Gains	142 298	148 597	154 585	159 190	168 373	205 409	195 754	191 757	184 993	177 983	170 132	153 990	2 053 058	2 055 448	2 057 893
Total Revenue (excluding capital transfers and contributions)	3 904 142	4 059 465	4 000 737	3 935 714	3 946 294	3 963 761	4 052 463	3 902 785	3 908 081	3 871 054	3 940 234	4 024 871	47 509 600	50 821 261	53 629 876

Table continues on next page

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand															
Expenditure By Type															
Employee related costs	1 245 501	1 246 712	1 248 555	1 250 455	1 835 150	1 253 174	1 261 061	1 258 550	1 254 569	1 254 606	1 252 670	1 251 507	15 612 510	16 233 454	16 703 945
Remuneration of councillors	14 985	14 986	14 985	14 985	14 986	14 985	14 985	14 986	14 985	14 985	14 986	14 986	179 826	187 739	196 375
Debt impairment	226 722	226 722	226 722	226 722	226 722	226 178	226 178	226 178	226 178	226 178	226 178	226 178	2 716 859	2 785 991	2 662 635
Depreciation & asset impairment	249 221	249 221	249 221	249 221	249 221	249 221	249 221	249 221	249 221	249 221	249 221	272 419	3 013 855	3 065 671	3 178 630
Finance charges	66 189	66 193	66 187	66 187	66 211	66 392	66 214	66 265	66 214	66 214	66 214	66 268	794 747	1 283 592	1 498 858
Bulk purchases - electricity	51 734	1 404 719	1 323 929	844 534	830 914	808 295	739 013	794 888	749 519	779 384	766 597	2 088 874	11 182 400	12 669 659	14 354 724
Inventory consumed	228 945	272 253	274 191	283 545	298 683	334 839	320 233	323 219	315 902	308 077	304 303	439 661	3 703 850	3 747 655	3 748 963
Contracted services	272 930	411 781	570 236	669 472	637 670	654 929	621 864	794 270	709 499	657 520	646 331	1 313 860	7 960 363	7 586 651	7 861 893
Transfers and subsidies	34 634	29 414	49 141	49 397	20 679	34 272	24 310	34 717	32 133	28 485	34 898	92 183	464 263	404 613	362 078
Other expenditure	116 788	301 004	207 796	210 122	198 019	183 930	214 184	207 772	201 317	213 895	193 184	384 030	2 632 043	2 908 664	3 101 478
Losses	926	1 049	1 119	1 196	1 203	1 429	1 375	1 241	1 216	1 162	1 112	1 096	14 124	14 222	14 322
Total Expenditure	2 508 577	4 224 054	4 232 084	3 865 837	4 379 460	3 827 644	3 738 639	3 971 307	3 820 754	3 799 728	3 755 694	6 151 061	48 274 839	50 887 910	53 683 901
Surplus/(Deficit)	1 395 565	(164 589)	(231 347)	69 877	(433 166)	136 118	313 824	(68 522)	87 327	71 325	184 540	(2 126 191)	(765 240)	(66 649)	(54 025)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31 587	88 605	128 083	140 714	161 120	147 877	92 847	215 322	261 064	167 773	168 959	1 462 693	3 066 644	2 861 528	2 770 686
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	22 307	15 410	15 910	16 541	16 610	14 000	14 100	15 860	17 660	17 910	19 360	20 515	206 182	240 264	253 199
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	1 449 460	(60 574)	(87 354)	227 132	(255 436)	297 994	420 771	162 660	366 050	257 008	372 858	(642 983)	2 507 586	3 035 143	2 969 861
Taxation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1 449 460	(60 574)	(87 354)	227 132	(255 436)	297 994	420 771	162 660	366 050	257 008	372 858	(642 983)	2 507 586	3 035 143	2 969 861

Table 56 -MBRR Table SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote															
Vote 1 - Community Services & Health	73 290	71 983	76 933	77 078	86 433	73 195	70 395	60 797	58 388	123 972	72 306	161 925	1 006 695	1 037 880	1 012 274
Vote 2 - Corporate Services	4 749	4 749	6 949	4 949	4 949	11 949	4 949	4 749	16 749	4 749	4 749	16 284	90 525	102 268	105 543
Vote 3 - Economic Opportunities & Asset Managemnt	18 812	18 812	18 812	18 812	18 812	18 812	18 812	18 812	18 812	18 812	18 812	63 342	270 274	260 703	243 410
Vote 4 - Energy & Climate Change	1 459 458	1 524 740	1 457 400	1 355 220	1 335 940	1 218 445	1 356 951	1 197 313	1 244 038	1 180 389	1 353 939	1 298 887	15 982 719	17 821 810	19 888 779
Vote 5 - Finance	1 463 927	1 463 927	1 463 927	1 463 927	1 464 456	1 463 927	1 463 927	1 463 927	1 463 840	1 463 819	1 463 819	1 460 975	17 564 399	18 479 510	19 070 129
Vote 6 - Human Settlements	42 934	63 048	123 539	91 121	103 349	108 886	55 273	195 040	146 470	99 035	85 206	51 977	1 165 880	1 319 704	1 375 040
Vote 7 - Office of the City Manager	1	1	1	1	1	1	1	1	1	1	1	1	7	7	7
Vote 8 - Safety & Security	141 580	142 204	143 043	148 050	143 447	151 288	141 044	142 901	141 740	143 590	140 352	137 787	1 717 028	1 798 212	1 441 560
Vote 9 - Spatial Planning & Environment	11 576	15 632	16 817	19 093	18 529	17 265	17 172	21 439	21 687	22 881	21 226	32 231	235 548	215 097	235 946
Vote 10 - Transport	46 302	109 069	112 072	124 254	168 229	148 042	118 568	144 314	157 260	141 796	130 601	1 300 403	2 700 909	2 321 996	2 133 204
Vote 11 - Urban Management	24 869	24 869	24 869	24 919	24 919	24 919	24 919	26 919	24 949	24 969	24 969	26 040	302 124	317 152	337 199
Vote 12 - Water & Waste	674 530	716 771	744 314	758 904	804 918	937 177	908 199	889 281	863 135	820 708	799 551	828 830	9 746 317	10 248 715	10 810 669
Total Revenue by Vote	3 962 028	4 155 805	4 188 675	4 086 327	4 173 981	4 173 906	4 180 211	4 165 494	4 157 068	4 044 721	4 115 529	5 378 681	50 782 426	53 923 053	56 653 762
Expenditure by Vote to be appropriated															
Vote 1 - Community Services & Health	277 020	298 063	307 863	337 194	447 957	333 436	368 126	345 854	339 366	331 819	322 303	494 855	4 203 855	4 179 517	4 329 340
Vote 2 - Corporate Services	143 274	172 002	164 965	175 744	205 469	171 685	183 302	188 717	198 788	196 395	182 373	288 009	2 270 723	2 560 944	2 813 259
Vote 3 - Economic Opportunities & Asset Managemnt	109 394	97 751	133 089	124 056	114 656	96 459	105 223	110 428	117 836	114 160	121 034	255 047	1 499 132	1 490 540	1 506 274
Vote 4 - Energy & Climate Change	250 878	1 622 686	1 541 041	1 070 151	1 099 715	1 023 601	948 772	1 009 865	964 981	994 827	987 310	2 327 595	13 841 423	15 450 732	17 259 159
Vote 5 - Finance	226 992	320 767	257 509	259 649	306 147	269 306	267 358	258 493	254 663	253 999	250 156	297 467	3 222 505	3 816 366	4 118 683
Vote 6 - Human Settlements	88 600	102 659	111 128	119 349	194 172	128 605	98 796	142 352	133 576	129 240	123 419	171 778	1 543 675	1 550 211	1 551 961
Vote 7 - Office of the City Manager	21 944	47 163	22 852	26 322	26 363	23 100	25 231	24 862	25 288	24 899	24 801	27 793	320 619	294 771	338 793
Vote 8 - Safety & Security	349 602	358 327	362 066	366 157	474 402	372 383	381 001	379 326	376 460	368 170	373 223	449 930	4 611 047	4 710 084	4 445 525
Vote 9 - Spatial Planning & Environment	56 168	65 897	68 615	76 218	93 172	68 643	66 048	71 243	75 672	73 085	70 414	76 783	861 959	841 227	867 785
Vote 10 - Transport	153 434	206 993	274 292	298 490	278 804	316 424	271 100	409 454	306 085	296 633	282 238	580 013	3 673 960	3 671 590	3 817 908
Vote 11 - Urban Management	74 665	72 835	76 320	77 291	105 148	86 123	96 488	88 125	94 393	87 250	95 395	126 053	1 080 086	1 116 224	1 160 693
Vote 12 - Water & Waste	756 605	858 912	912 343	935 216	1 033 454	937 878	927 194	942 587	933 646	929 251	923 029	1 055 738	11 145 854	11 205 705	11 474 520
Total Expenditure by Vote	2 508 577	4 224 054	4 232 084	3 865 837	4 379 460	3 827 644	3 738 639	3 971 307	3 820 754	3 799 728	3 755 694	6 151 061	48 274 839	50 887 910	53 683 901
Surplus/(Deficit) before assoc.	1 453 451	(68 250)	(43 409)	220 490	(205 479)	346 262	441 572	194 186	336 314	244 993	359 835	(772 381)	2 507 586	3 035 143	2 969 861
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1 453 451	(68 250)	(43 409)	220 490	(205 479)	346 262	441 572	194 186	336 314	244 993	359 835	(772 381)	2 507 586	3 035 143	2 969 861

Table 57 - MBRR Table SA27 - Budgeted monthly revenue and expenditure (functional classification)

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional															
Governance and administration	1 360 002	1 374 607	1 379 532	1 378 382	1 378 561	1 384 032	1 374 382	1 361 125	1 374 092	1 420 696	1 378 093	1 391 665	16 555 169	17 342 262	17 907 277
Executive and council	27	27	27	27	27	27	27	27	27	27	27	1 028	1 325	1 339	1 355
Finance and administration	1 359 975	1 374 580	1 379 505	1 378 355	1 378 534	1 384 005	1 374 355	1 361 097	1 374 065	1 420 668	1 378 066	1 390 637	16 553 841	17 340 920	17 905 919
Internal audit	0	0	0	0	0	0	0	0	0	0	0	0	3	3	3
Community and public safety	249 848	275 328	283 406	307 338	311 499	300 658	253 875	384 319	368 594	320 004	291 135	422 704	3 768 707	4 053 984	3 740 650
Community and social services	6 134	6 334	6 594	6 174	8 111	8 124	7 785	9 029	10 041	10 265	11 066	21 085	110 743	113 202	101 517
Sport and recreation	3 388	3 388	3 388	3 388	3 388	3 888	3 388	3 888	4 388	4 388	4 388	3 388	44 660	62 967	75 887
Public safety	136 368	137 016	137 855	145 794	138 056	138 400	136 951	136 468	137 311	137 502	135 924	144 513	1 662 159	1 740 819	1 381 585
Housing	65 156	89 402	94 381	110 795	112 191	112 480	69 985	199 168	181 087	126 893	105 233	159 775	1 426 546	1 599 800	1 659 242
Health	38 801	39 187	41 187	41 187	49 752	37 766	35 766	35 766	35 766	40 956	34 524	93 942	524 600	537 197	522 420
Economic and environmental services	88 702	156 017	155 295	168 822	169 235	169 329	141 006	172 433	194 797	190 622	184 338	1 533 345	3 323 940	2 922 447	2 749 950
Planning and development	34 460	37 847	39 032	40 182	39 882	38 682	37 932	44 882	43 062	44 182	42 252	87 913	530 303	528 268	539 167
Road transport	52 300	115 482	113 226	124 776	125 753	126 909	98 881	123 791	146 877	140 538	135 609	1 438 212	2 742 355	2 363 717	2 177 253
Environmental protection	1 941	2 688	3 038	3 864	3 600	3 738	4 194	3 760	4 858	5 903	6 477	7 219	51 281	30 462	33 530
Trading services	2 258 914	2 356 958	2 325 926	2 237 856	2 264 159	2 271 048	2 389 576	2 215 520	2 248 751	2 124 844	2 274 415	2 161 540	27 129 505	29 599 019	32 250 304
Energysources	1 479 640	1 544 972	1 477 832	1 375 583	1 356 272	1 238 627	1 377 133	1 217 495	1 265 270	1 200 921	1 374 121	1 317 038	16 224 903	18 082 048	20 152 831
Water management	488 634	511 994	531 735	546 549	572 369	668 216	646 237	636 190	621 699	590 971	572 368	520 774	6 907 736	7 237 413	7 562 363
Waste water management	137 588	146 940	163 307	162 671	182 466	211 153	213 154	208 783	208 731	179 900	174 875	170 676	2 160 243	2 290 854	2 390 850
Waste management	153 052	153 052	153 052	153 052	153 052	153 052	153 052	153 052	153 052	153 052	153 052	153 052	1 836 622	1 988 704	2 144 261
Other	425	425	425	425	425	425	425	425	425	425	425	425	5 105	5 340	5 580
Total Revenue - Functional	3 957 891	4 163 335	4 144 585	4 092 823	4 123 879	4 125 492	4 159 264	4 133 822	4 186 659	4 056 591	4 128 407	5 509 679	50 782 426	53 923 053	56 653 762

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Description R thousand	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure - Functional															
Governance and administration	658 547	825 852	739 305	780 860	908 083	761 716	804 403	810 016	812 898	803 221	787 443	1 136 285	9 828 627	10 631 949	11 374 553
Executive and council	43 799	69 743	48 104	51 902	54 700	51 934	52 604	53 134	53 179	52 354	53 497	79 081	664 033	646 463	702 445
Finance and administration	610 282	752 151	687 221	725 026	848 011	705 746	747 789	752 893	755 686	746 968	729 907	1 052 568	9 114 249	9 933 016	10 617 372
Internal audit	4 466	3 957	3 980	3 931	5 372	4 036	4 010	3 988	4 033	3 898	4 039	4 635	50 346	52 471	54 736
Community and public safety	638 384	676 538	695 848	721 406	989 916	738 767	722 683	741 414	734 944	727 002	714 125	935 825	9 036 851	9 196 483	9 037 410
Community and social services	66 948	71 177	72 278	82 438	110 687	77 263	74 949	75 121	79 654	76 291	77 248	106 689	970 743	992 208	1 041 214
Sport and recreation	78 424	84 220	89 343	90 880	117 157	106 038	117 909	93 889	92 522	88 783	87 442	113 012	1 159 619	1 155 323	1 189 233
Public safety	307 123	313 598	318 047	322 344	413 181	319 221	324 660	321 572	322 007	319 765	319 588	371 112	3 972 218	4 063 820	3 782 863
Housing	87 908	101 957	110 614	118 814	193 663	128 191	97 910	141 383	132 664	128 286	122 481	170 758	1 534 627	1 540 934	1 542 414
Health	97 981	105 586	105 566	106 930	155 228	108 054	107 255	109 449	108 097	113 878	107 366	174 255	1 399 645	1 444 198	1 481 685
Economic and environmental services	261 510	324 129	428 841	429 303	446 709	440 141	404 152	534 262	446 981	422 891	408 425	735 295	5 282 640	5 257 136	5 429 177
Planning and development	89 387	95 199	133 813	110 565	137 482	104 081	115 518	113 466	123 626	113 631	117 448	179 360	1 433 576	1 440 051	1 454 095
Road transport	158 040	210 628	276 190	295 229	283 146	316 752	269 260	402 125	303 377	289 459	272 555	532 808	3 609 570	3 609 295	3 754 717
Environmental protection	14 084	18 302	18 839	23 509	26 081	19 308	19 374	18 671	19 978	19 802	18 422	23 127	239 495	207 790	220 365
Trading services	920 288	2 392 258	2 362 140	1 915 488	2 025 467	1 871 138	1 787 631	1 866 668	1 809 140	1 836 191	1 822 010	3 312 798	23 921 216	25 594 254	27 632 361
Energy sources	224 502	1 598 162	1 516 199	1 046 995	1 066 797	1 000 483	926 055	987 466	942 882	972 386	965 964	2 307 723	13 555 616	15 159 955	16 955 724
Water management	365 480	400 737	413 950	437 179	492 150	464 484	455 881	453 266	445 446	442 812	429 784	485 075	5 286 244	5 330 941	5 426 728
Waste water management	155 091	186 121	219 179	213 916	214 359	200 068	202 092	221 377	216 571	216 753	217 713	306 295	2 569 535	2 515 528	2 571 316
Waste management	175 215	207 237	212 813	217 397	252 160	206 102	203 603	204 559	204 240	204 240	208 549	213 706	2 509 821	2 587 830	2 678 593
Other	29 848	5 279	5 950	18 781	9 286	15 883	19 770	18 948	16 793	10 424	23 691	30 851	205 505	208 089	210 400
Total Expenditure - Functional	2 508 577	4 224 055	4 232 085	3 865 838	4 379 461	3 827 644	3 738 639	3 971 308	3 820 755	3 799 729	3 755 695	6 151 053	48 274 839	50 887 910	53 683 901
Surplus/(Deficit) before assoc.	1 449 314	(60 720)	(87 500)	226 985	(255 582)	297 848	420 625	162 514	365 904	256 862	372 712	(641 374)	2 507 586	3 035 143	2 969 861
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1 449 314	(60 720)	(87 500)	226 985	(255 582)	297 848	420 625	162 514	365 904	256 862	372 712	(641 374)	2 507 586	3 035 143	2 969 861

Table 58 - MBRR Table SA28 - Budgeted monthly capital expenditure (municipal vote)

Description R thousand	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Multi-year expenditure to be appropriated															
Vote 1 - Community Services & Health	11 673	11 013	21 018	19 861	22 413	24 157	12 818	24 822	27 740	31 372	25 806	67 040	299 732	234 255	149 803
Vote 2 - Corporate Services	200	2 114	23 856	31 269	5 342	15 940	4 048	7 990	12 483	9 036	11 203	125 288	248 768	398 624	562 244
Vote 3 - Economic Opportunities & Asset Managemnt	1 453	1 453	3 204	3 158	9 330	8 818	5 300	20 555	17 134	24 800	39 190	81 405	215 801	305 809	418 516
Vote 4 - Energy & Climate Change	44 291	55 696	76 772	85 658	96 132	39 069	50 664	89 007	114 749	104 287	96 051	162 281	1 014 657	1 162 227	1 486 852
Vote 5 - Finance	–	60	678	1 723	2 421	840	590	1 730	1 802	11 380	630	3 662	25 515	90 315	16 650
Vote 6 - Human Settlements	24 188	39 102	52 201	58 823	63 191	60 043	33 505	119 480	111 933	66 732	60 684	137 321	827 201	1 008 878	1 056 944
Vote 7 - Office of the City Manager	–	1	–	37	5	45	–	89	–	–	–	927	1 103	705	705
Vote 8 - Safety & Security	2 725	4 522	8 588	9 106	63 723	28 968	9 442	15 174	32 698	15 272	30 394	37 685	258 298	187 842	218 646
Vote 9 - Spatial Planning & Environment	70	498	2 248	2 048	1 998	1 750	1 648	2 248	3 848	4 698	3 598	117 072	141 722	221 453	263 653
Vote 10 - Transport	12 081	50 069	64 733	76 925	75 703	70 492	37 507	71 504	100 449	101 628	105 665	1 425 099	2 191 855	2 076 400	1 798 343
Vote 11 - Urban Management	–	900	2 739	3 810	6 160	1 633	2 508	7 378	4 752	2 622	2 464	11 765	46 729	86 577	92 577
Vote 12 - Water & Waste	41 361	106 711	157 590	222 125	192 921	188 813	107 349	178 950	222 594	234 554	350 439	1 039 978	3 043 384	3 337 462	5 411 185
Capital multi-year expenditure sub-total	138 042	272 138	413 626	514 542	539 338	440 569	265 378	538 927	650 180	606 381	726 125	3 209 522	8 314 767	9 110 548	11 476 119

Table 59 - MBRR Table SA29 - Budgeted monthly capital expenditure (functional classification)

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Expenditure - Functional															
Governance and administration	7 303	13 110	43 740	51 718	58 541	39 243	21 762	44 231	50 143	62 162	77 764	424 044	893 761	1 149 711	1 383 158
Executive and council	–	1	150	737	1 210	295	150	645	785	520	243	316	5 052	3 527	3 693
Finance and administration	7 303	13 109	43 590	50 981	57 331	38 948	21 612	43 586	49 358	61 642	77 520	423 488	888 469	1 146 104	1 379 386
Internal audit	–	–	–	–	–	–	–	–	–	–	–	240	240	79	79
Community and public safety	33 086	45 955	70 000	75 184	114 201	101 902	44 723	150 829	159 366	101 754	101 642	213 192	1 211 834	1 322 114	1 348 928
Community and social services	773	1 192	2 103	2 309	5 343	4 692	1 878	9 376	7 319	11 127	8 958	19 083	74 151	79 857	69 505
Sport and recreation	4 000	540	3 263	3 860	6 651	6 215	840	8 450	11 839	14 175	9 390	29 362	98 585	63 487	57 184
Public safety	2 125	1 155	3 784	4 275	33 516	23 452	4 250	10 023	22 776	5 721	19 852	23 926	154 854	132 843	147 245
Housing	24 188	39 102	52 201	58 823	63 191	60 043	33 505	119 480	111 933	66 732	60 684	137 321	827 201	1 008 878	1 056 944
Health	2 000	3 966	8 650	5 917	5 500	7 500	4 250	3 500	5 500	4 000	2 759	3 500	57 042	37 050	18 050
Economic and environmental services	12 151	51 467	70 224	81 502	80 878	72 942	40 755	80 059	109 453	109 378	112 489	1 545 818	2 367 117	2 347 578	2 117 621
Planning and development	–	1 100	4 043	4 329	4 978	2 100	3 100	8 508	8 057	5 902	4 476	42 841	89 433	100 478	150 813
Road transport	12 081	50 069	64 733	76 925	75 703	70 492	37 507	71 404	100 249	101 328	105 365	1 424 399	2 190 255	2 076 084	1 798 028
Environmental protection	70	298	1 448	248	198	350	148	148	1 148	2 148	2 648	78 578	87 428	171 016	168 780
Trading services	84 902	160 906	229 062	305 283	283 553	225 332	157 513	262 457	330 942	332 731	433 955	1 025 168	3 831 805	4 289 295	6 624 562
Energy sources	44 291	55 696	76 772	85 158	95 632	38 569	50 664	89 007	114 649	104 287	95 151	162 281	1 012 157	1 157 727	1 480 352
Water management	17 820	58 470	74 710	89 774	94 150	60 550	30 950	75 650	88 650	86 221	116 420	173 421	966 786	1 301 998	2 164 011
Waste water management	3 004	30 554	59 525	113 511	76 157	111 467	61 268	82 420	110 864	126 500	207 660	367 090	1 350 020	1 457 639	2 496 950
Waste management	19 787	16 187	18 055	16 840	17 615	14 746	14 630	15 380	16 780	15 724	14 724	322 376	502 843	371 930	483 249
Other	600	700	600	855	2 165	1 150	625	1 350	275	355	275	1 300	10 250	1 850	1 850
Total Capital Expenditure - Functional	138 042	272 138	413 626	514 542	539 338	440 569	265 378	538 927	650 180	606 381	726 125	3 209 522	8 314 767	9 110 548	11 476 119
Funded by:															
National Government	31 587	88 405	127 668	139 984	160 140	146 897	92 647	212 124	257 908	165 843	167 183	1 460 392	3 050 778	2 819 321	2 671 759
Provincial Government	–	200	415	730	980	980	200	3 198	3 156	1 930	1 776	2 301	15 866	42 207	98 927
District Municipality	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	11 142	4 245	4 745	5 376	5 445	2 835	2 935	4 695	6 495	6 745	8 195	9 350	72 198	100 117	106 745
Transfers recognised - capital	42 729	92 850	132 828	146 090	166 565	150 711	95 782	220 016	267 558	174 517	177 154	1 472 043	3 138 842	2 961 645	2 877 431
Borrowing	27 107	87 307	125 079	194 958	153 361	153 570	68 496	134 107	160 113	200 901	312 917	882 084	2 500 000	4 500 000	7 000 000
Internally generated funds	68 206	91 982	155 719	173 495	219 412	136 288	101 100	184 803	222 508	230 962	236 055	855 395	2 675 925	1 648 903	1 598 687
Total Capital Funding	138 042	272 138	413 626	514 542	539 338	440 569	265 378	538 927	650 180	606 381	726 125	3 209 522	8 314 767	9 110 548	11 476 119

Table 60 - MBRR Table SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Receipts By Source															
Property rates	799 828	879 294	942 994	995 959	886 567	841 241	898 050	884 199	904 522	787 336	869 250	855 528	10 544 767	11 070 877	11 593 784
Service charges - electricity revenue	1 323 663	1 392 191	1 406 114	1 423 259	1 265 632	1 258 524	1 218 541	1 230 915	1 315 526	1 148 172	1 308 060	1 286 622	15 577 221	17 396 037	19 458 551
Service charges - water revenue	240 455	246 676	253 040	290 212	274 365	261 677	270 433	320 617	324 898	270 138	292 268	298 185	3 342 964	3 617 473	3 857 775
Service charges - sanitation revenue	120 925	126 945	129 512	144 222	139 252	131 785	127 343	152 543	160 914	126 635	142 864	147 916	1 650 855	1 782 663	1 907 249
Service charges - refuse revenue	84 929	86 692	85 499	93 405	91 323	88 933	87 715	87 367	94 395	85 785	92 088	91 528	1 069 659	1 168 697	1 294 750
Rental of facilities and equipment	16 745	22 592	20 677	20 390	23 181	22 905	19 722	20 343	21 776	17 958	19 599	37 098	262 985	274 047	286 392
Interest earned - external investments	72 466	67 612	60 964	66 559	64 946	70 301	71 325	62 178	74 229	76 854	78 613	89 072	855 119	912 415	884 108
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	21 684	21 216	18 877	24 132	23 543	21 723	20 459	20 955	21 951	16 433	18 410	20 020	249 403	249 835	250 278
Licences and permits	3 452	5 240	5 389	6 762	6 837	6 429	4 407	6 189	4 711	4 453	5 125	8 115	67 110	70 197	73 355
Agency services	13 457	20 429	21 007	26 360	26 652	25 064	17 181	24 126	18 364	17 359	19 980	31 636	261 614	282 544	305 147
Transfers and Subsidies - Operational	1 265 658	577 734	37 772	106 975	479 602	1 043 017	332 017	91 532	1 568 187	91 390	18 905	37 575	5 650 364	5 774 670	5 357 558
Other revenue	166 964	677 129	108 774	176 165	158 572	535 021	257 020	178 468	690 468	50 511	112 030	96 887	3 208 008	3 338 795	3 362 991
Cash Receipts by Source	4 130 226	4 123 750	3 090 619	3 374 398	3 440 473	4 306 620	3 324 212	3 079 432	5 199 942	2 693 024	2 977 191	3 000 181	42 740 070	45 938 250	48 631 939
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	871 636	95 612	149 137	282 947	240 577	230 430	85 707	290 497	991 783	25 743	6 615	(70 053)	3 200 628	3 001 675	2 917 140
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	72 198	72 198	100 117	106 745
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	51 942	51 942	54 331	56 776
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	2 500 000	2 500 000	4 500 000	7 000 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	17 110	17 110	19 145	20 899
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	(751)	(751)	(97)	(99)
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	(331 962)	(331 962)	634 400	910 171
Total Cash Receipts by Source	5 001 862	4 219 361	3 239 756	3 657 345	3 681 050	4 537 050	3 409 919	3 369 929	6 191 725	2 718 767	2 983 807	5 238 664	48 249 234	54 247 821	59 643 570

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MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Payments by Type															
Employee related costs	1 153 178	1 183 676	1 267 316	1 215 190	1 861 875	1 244 420	1 251 468	1 282 261	1 280 217	1 297 737	1 269 753	1 224 030	15 531 122	16 148 490	16 615 073
Remuneration of councillors	14 226	14 021	14 051	14 245	14 155	14 370	14 363	18 454	14 914	14 923	15 901	16 204	179 826	187 739	196 375
Finance charges	33 053	–	143 919	–	43 865	134 577	30 510	–	141 121	–	41 424	172 113	740 582	1 223 407	1 458 443
Bulk purchases - electricity	1 257 138	1 150 942	1 389 018	931 324	816 585	968 585	751 761	792 151	761 484	789 312	749 932	824 168	11 182 400	12 669 659	14 354 724
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	1 043 109	528 246	574 669	600 039	654 165	689 576	500 917	503 097	675 961	705 692	504 416	980 474	7 960 362	7 586 651	7 861 893
Transfers and grants - other municipalities	67 629	34 248	37 258	38 903	42 412	44 708	32 477	32 618	43 825	45 753	32 703	11 729	464 263	404 613	362 078
Transfers and grants - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	277 189	140 373	152 709	159 451	173 834	183 244	133 111	133 690	179 625	187 526	134 040	2 258 069	4 112 860	4 443 456	4 643 610
Cash Payments by Type	3 845 521	3 051 506	3 578 942	2 959 152	3 606 891	3 279 480	2 714 606	2 762 271	3 097 147	3 040 942	2 748 170	5 486 787	40 171 416	42 664 015	45 492 196
Other Cash Flows/Payments by Type															
Capital assets	1 366 397	371 167	363 646	452 973	566 538	815 300	305 409	417 853	641 846	623 677	849 521	1 540 438	8 314 767	9 110 548	11 476 119
Repayment of borrowing	50 000	–	79 481	–	42 933	13 333	50 000	–	79 481	–	42 933	13 333	371 495	1 674 828	2 011 495
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	5 261 918	3 422 673	4 022 069	3 412 125	4 216 363	4 108 114	3 070 015	3 180 124	3 818 474	3 664 619	3 640 625	7 040 559	48 857 678	53 449 391	58 979 810
NET INCREASE/(DECREASE) IN CASH HELD	(260 056)	796 688	(782 312)	245 220	(535 312)	428 936	339 904	189 804	2 373 251	(945 852)	(656 818)	(1 801 895)	(608 444)	798 430	663 761
Cash/cash equivalents at the month/year begin:	5 795 344	5 535 288	6 331 976	5 549 663	5 794 884	5 259 571	5 688 507	6 028 411	6 218 215	8 591 466	7 645 613	6 988 795	5 795 344	5 186 901	5 985 330
Cash/cash equivalents at the month/year end:	5 535 288	6 331 976	5 549 663	5 794 884	5 259 571	5 688 507	6 028 411	6 218 215	8 591 466	7 645 613	6 988 795	5 186 901	5 186 901	5 985 330	6 649 091

2.12 Annual budgets – internal departments

2.12.1 Community Services & Health (Vote 1)

The Community Services & Health directorate will continue to provide community facilities, spaces and services, as well as developmental programmes in support of building communities and individuals' capabilities towards improved social well-being of the citizens of Cape Town.

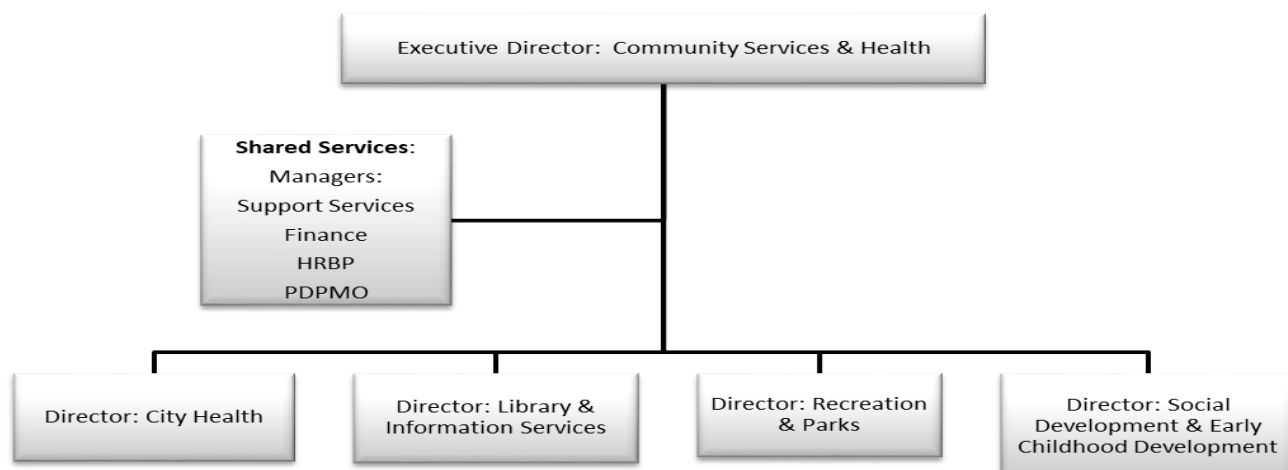
The directorate is a major role-player of the City's Social Development Strategy (SDS), and as such ensures coordination of same across all directorates. Furthermore, within the Transversal Safe Communities Working Group, the directorate drives the following Transversal Work Streams:

- Integrated Youth Development Strategy with its implementation plan;
- Social & Situational Crime Prevention Strategy with its implementation plan; and
- Alcohol & Other Drug Harm Minimisation Strategy with its implementation plan.

Through the directorate's departments, the broad social challenges and needs are addressed by providing and maintaining a holistic and integrated range of mandated, as well as discretionary, community facilities, services and developmental programmes and functions, including, but not limited to those mentioned below.

- Delivering a comprehensive primary health care service, including personal primary health care (child health, maternal- and women's health, non-communicable diseases, and adult curative care in some larger facilities), matrix- and men's clinics sites as well as municipal health care (also referred to as Environmental Health Services);
- Providing access to the services and resources required for informational, educational, cultural and recreational needs through a free public library service that includes spaces and programmes for social development;
- Providing attractive, safe, accessible and sustainable community facilities and spaces where the citizens of Cape Town can engage in active and passive recreation.
- Providing cemeteries and crematoria, which are an integral part of a dignified and efficient interment service;
- Horticultural services at City facilities;
- Community engagements and social preparation;
- Providing a number of targeted community services programmes focusing on substance abuse, homelessness, youth development, early childhood development, poverty alleviation, gender support and vulnerable groups;
- Developing, implementing and maintaining community orientated arts, culture and heritage programmes, services, infrastructure and partnerships; and
- Upgrading, replacing and providing new community service facilities that are planned and developed in a joint and integrated manner with internal- and external partners and in areas of greatest need, including integrated facilities in informal settlements.

Management Structure



Performance objectives and indicators

Strategic Focus Area	IDP Objective	IDP Programme
SFA 1: Opportunity City	1.2: Leveraging Technology for Progress	1.2.a: Digital City - Technology Innovation Project
SFA 2: Safe City	2.1: Safe Communities	2.1.b: Holistic Crime Prevention - ECD Informal Settlement Safety Project
SFA 3: Caring City	3.1: Excellence in Basic Service delivery	3.1.b: Social Services facility provision - Social facilities Project - Cemetery and Crematorium Provision Project
	3.2: Mainstreaming Basic Service Delivery to Informal Settlements and Backyard Dwellers	3.2.b: Human Settlements - Informal Settlements Services Project
SFA 4: Inclusive City	4.3: Building Integrated Communities	4.3.d: Substance Abuse - Substance Abuse Treatment Project - Substance Awareness and Prevention Projects
		4.3.e: Primary Healthcare - Complying with National Core Standards and Improving access to services - Environmental Health Services
		4.3.f: Social Inclusion - Homeless People Project - Youth Development Project - Informal Settlements Social Inclusion Project - Healthy Lifestyle Project - Access to Information Project - Literacy Project - Social Inclusion Research Project

Changes to service levels and standards over the MTREF

There are no material changes in trends for the directorate over the MTREF period.

Past year's performance – 2019/20

The directorate achieved the following financial indicators in the 2019/20 financial year:

- Capital spend: 85.5% (target 90%)
- Operating spend: 99.3% (target 95%)
- Repairs and maintenance spend: 91.9% (target 95%)
- Training budget spend: 73.6% (target 75%)

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Management, with the assistance of the Integrated Risk Management (IRM) department, have applied their minds, and due care is taken to ensure that risks, which could impact on the directorate not achieving its objectives, are identified, addressed and managed in accordance with the City's approved IRM Policy and Framework.

Risk Registers are utilised as a management tool in order to manage identified risks of the directorate. The risks identified and rated equal to or above the Council approved risk acceptance level will be reported to the Executive Management Team (EMT). The Executive Director informs/ discusses the directorate's risks with the relevant Mayoral Committee member on a six monthly basis.

Major features of expenditure including discretionary- and non-discretionary expenditure

The directorate's major categories of expenditure will include:

- Repairs and maintenance to community services and health facilities;
- Primary Health Care;
- Security services to secure facilities and staff;
- Ward Allocation projects;
- EPWP projects; and
- Various community based programmes.

Capital Plan: Directorate capital programme

Significant capital projects to be undertaken over the MTREF period include, but are not limited to:

- Upgrade Maitland Crematorium
- IT Modernisation
- New Fisantekraal Clinic
- Vuyiseka MPC - General Building Rehab
- Upgrades to clinics
- Mandela Park Integrated Recreational Facility
- Belhar Integrated Precinct
- Books, Periodicals & Subscriptions
- Bellville Integrated Recreational Facility
- Library Upgrades and Extensions
- Bishop Lavis Sport Ground Upgrade
- Site C Integrated Recreation Facility
- Khaya Integrated Recreation Facility
- Community Services & Health: Facility Upgrades
- Delft Integrated Recreation Facility
- Mayoral Art Collection
- Facility upgrades: SASREA
- Fisantekraal Synthetic Pitch
- Equipment for Facilities

Table 61 - Community Services & Health (Vote 1) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Community Services & Health									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates									
Service charges - electricity revenue	32	6	–	43	43	43	47	53	59
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	14 215	12 362	8 452	12 063	10 010	10 010	10 320	10 795	11 281
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	62	57	64	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	2 762	2 564	8 281	2 473	2 473	2 473	2 549	2 667	2 787
Licences and permits	1 029	2 325	364	781	231	231	238	249	261
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	667 519	743 623	769 315	815 606	1 070 718	1 070 718	840 512	884 514	881 488
Other revenue	33 757	35 172	37 308	32 011	34 597	34 597	35 669	37 310	38 989
Gains	3 836	3 527	61	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	723 211	799 636	823 844	862 976	1 118 071	1 118 071	889 337	935 588	934 864
Expenditure By Type									
Employee related costs	1 910 057	2 057 516	2 293 869	2 672 974	2 641 148	2 641 148	2 439 202	2 435 835	2 552 561
Remuneration of councillors	–	–	(2)	–	–	–	–	–	–
Debt impairment	(4 664)	1 220	1 020	–	–	–	–	–	–
Depreciation & asset impairment	146 123	162 787	156 559	172 003	180 449	180 449	175 271	187 275	196 925
Finance charges	581	2 366	2 429	3 130	3 130	3 130	227	237	248
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	355 402	372 635	362 305	533 176	462 737	462 737	510 315	539 898	535 000
Contracted services	635 517	649 765	779 160	852 931	919 304	919 304	940 721	888 764	913 402
Transfers and subsidies	7 079	19 193	52 642	39 826	49 826	49 826	19 540	21 379	22 341
Other expenditure	88 089	95 725	94 690	121 307	125 213	125 213	118 568	106 118	108 854
Losses	1 770	634	823	9	11	11	10	10	10
Total Operating Expenditure	3 139 953	3 361 843	3 743 494	4 395 357	4 381 818	4 381 818	4 203 852	4 179 517	4 329 340
Surplus/(Deficit)	(2 416 742)	(2 562 206)	(2 919 650)	(3 532 381)	(3 263 747)	(3 263 747)	(3 314 516)	(3 243 929)	(3 394 476)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	117 688	119 439	90 582	202 468	116 226	116 226	117 359	102 292	77 410
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	1 403	–	53	634	634	634	–	–	–
Transfers & subsidies capital in-kind	3 433	1 015	49	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(2 294 217)	(2 441 753)	(2 828 966)	(3 329 279)	(3 146 887)	(3 146 887)	(3 197 157)	(3 141 637)	(3 317 066)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(2 294 217)	(2 441 753)	(2 828 966)	(3 329 279)	(3 146 887)	(3 146 887)	(3 197 157)	(3 141 637)	(3 317 066)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(2 294 217)	(2 441 753)	(2 828 966)	(3 329 279)	(3 146 887)	(3 146 887)	(3 197 157)	(3 141 637)	(3 317 066)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(2 294 217)	(2 441 753)	(2 828 966)	(3 329 279)	(3 146 887)	(3 146 887)	(3 197 157)	(3 141 637)	(3 317 066)
Capital Expenditure	260 247	294 231	283 453	453 758	327 256	320 492	299 732	234 255	149 803

2.12.2 Corporate Services (Vote 2)

The Corporate Services directorate is a transversal directorate by nature. Its core purpose is to provide multi-disciplinary services and professional partnerships to the City's directorates, supporting and enabling service delivery for the City through value adding programmes, systems, processes, policies and knowledge management.

The Corporate Services directorate is made up of the following departments:

- **Customer Relations department**

The department provides an effective and efficient customer relations service to the City's customers to address their requirements in terms of access to municipal service delivery, thereby creating a positive image of the City.

- **Corporate Project Programme and Portfolio Management (C3PM) department**

The department serves as a Centre of Excellence to provide the required cutting edge for Project, Programme, Portfolio and Engineering Management solutions to enhance the customer-centric culture in the City. The department does not only focus on the continuous increase of maturity throughout the City for the various disciplines, but also aims to ensure continuous individual competence improvements for project- and engineering managers. Through the Project Portfolio Management System, the implementation of the City's projects is supported and managed, and service delivery enhanced towards successful delivery of projects as scoped and planned within the cost, time and quality constraints.

- **Executive and Council Support department**

The department provides an interface between the executive and decision-making structures and the organisation through effective and efficient facilitation of the decision-making process. To this end, the department drives, develops, manages and maintains sound governance systems, processes and procedures as key components of the professional support given to Council and its committees, the Executive Mayor, the Mayoral Committee, the City Manager and the City's Executive Management Team, and the organisation as a whole. It also drives the implementation of the City's Language Policy, which includes the promotion of multilingualism. The department also provides a transversal administrative and logistical printing and registry support services to all departments in the City.

- **Legal Services department**

The Legal Services department, through its five functional units, provides in-house legal assistance to the City of Cape Town's frontline departments as well as the City's corporate nerve centre. This assistance is rendered with the aim of enabling the Municipality to deliver on its Constitutional Mandate. The department is guided by legislative requirements that indicate operations of the various courts, as well as timelines for court matters. The same applies to the processing and turnaround times for PAIA matters which are also legislated to ensure efficiency. In addition, the Department manages and limits the legal risks of the Municipality.

- **Human Resources department**

The Human Resources department ensures proper resourcing of the organisation to enable an efficient and productive administration that prioritises service delivery. The City's Human Resource Strategy is aimed at delivering the right people, with the right skills, at the right place and at the right time. It is about ensuring the correct alignment of people with business needs. This provides value-added results as it improves service delivery within pre-determined budget parameters.

- **Information Systems & Technology (IS&T) department**

The IS&T department provides Information and Communication Technologies (ICT) services within the City and thereby improves services to officials, citizens, visitors and other stakeholders through implementation of relevant technology tools that is fit for business needs. As a strategic partner to Council and its various business lines it aims to be a catalyst for the transformation of public services and to continue enabling the City to become a more efficient and effective local government authority. As a technology leader, the IS&T department positions itself as a dependable and trusted change agent serving to the forefront of technological progress and innovation in order to render the City more sustainable for all its stakeholders. The BIP Programme and CAR Programme has successfully progressed through the Detailed Design Stage Gate and Conceptual Design Stage gate respectively. The majority of IS&T's capital budget for the 2021/22 FY will be spent on remediation and new Broadband Infrastructure projects. The 2021/22 financial year will be the first time that any additional capital expenditure will be spent on the BIP initiative since this programme was paused in 2018. Another large portion of IS&T's capital expenditure will be spent on upgrading and expanding IT DATA Centre Infrastructure. The IT Infrastructure required to run the Core Application (CAR) legacy and future planned applications. There are no significant changes in IS&T's OPEX budget compared with the year before. Some additional operational budgets have been allocated to continue with the CAR and BIP major programmes.

- **Information and Knowledge Management department**

The department provides corporate guidance and standards to City departments in the fields of records managements, geographic information systems (GIS) and data governance in order to improve the management, sharing and retention of information across the organisation. The department also provides specialized services to City departments including geographic data management, geospatial data acquisition including aerial imagery, map production, 3D modelling, and information and records management services. Information is made available to City Departments and the public through the City Maps office as well as the open data portal and GIS viewers available on the City's website.

- **Communications department**

The department provides a range of specialist communication services to all City departments around the various facets of communication. One of the main deliverables involves managing the City's Corporate Brand and media strategies, which in turn builds towards positive perceptions and reputation for the City. Services provided include media management and liaison (including social media), communication strategy and campaign development and execution, publications, website and Intranet development and management, photography, videography and audio-visual services. The dimensions of the department's activities are defined by the Corporate Brand Strategy, Brand Architecture and the Media and Communication Strategies of the City.

- **Organisational Effectiveness and Innovation department**

The department is a Centre of Excellence established to provide the organisation with strategies, tools and resources through its focus in driving strategic change through the People Strategy; operational excellence and innovation in order to improve service delivery and drive customer-centricity through a culture of collaboration and transversal management. Ultimately the department must drive the City's Government City's Modernisation and Future of Work initiatives to prepare the City for future challenges and opportunities. The department also provides strategic direction and develops corporate guidelines for the implementation of the City's Employment Equity (EE) Policy and EE Plan, which forms the basis of the City's transformation agenda.

- **Organisational Performance Management department**

This department is responsible to manage and monitor the City's performance and benchmark the City's organisational performance management against international best practice in order to improve service delivery quality, accountability and create a mind-set of continuous improvement through performance systems and processes.

- **Policy and Strategy department**

The Policy and Strategy department supports the directorate and the City's IDP by leading the development of the strategy and policy processes in the City and supporting evidence-based decision making through research and analysis (directly and through partners).

- **Resilience department**

The Resilience department is the key custodian of one of the five guiding principles of the IDP 2017- 2022: "Resilience". Urban resilience is the capacity of individuals, communities, institutions, businesses and systems in a city to survive, overcome, adapt and grow, no matter what chronic stresses and acute shocks they experience. Building resilience forms part of Goal 11 of the United Nations' Sustainable Development Goals (SDG) i.e. making cities inclusive, safe, resilient and sustainable.

Resilience as a guiding principle should be institutionalised across the organisation and be incorporated into the City's strategic, planning and decision-making mechanisms. The overarching aim of the Resilience department is to lead this institutionalisation of resilience.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: Opportunity City	1.2: Leveraging Technology for Progress	1.2.a: Enhancement of the Open Data Portal
		1.2.a: Construction of a Metro Area Fibre Optic Network
		1.2.a: Renew ICT Infrastructure
	1.3: Economic Inclusion	1.3.a: External Skills Development programme (including external bursaries, learnerships, in-service training and apprenticeships)
SFA 2: Safe City	2.1: Safe Communities	2.1.c: Enhance Corporate Business Systems (EPIC 2)
SFA 5: Well-Run City	5.1: Operational Sustainability	5.1.a: Talent Management Programme
		5.1.c: e-HR Programme
		5.1.c: Occupational Health and Safety Management programme
		5.1.f: Roll-out of revised HR model IS&T operating models
		5.1.f: Data Management
		5.1.f: Update of aerial photography for municipal area

Changes to service levels and standards over the MTREF

All departments within Corporate Services, with the exception of Customer Relations, are internally focused.

The Customer Relations department uses call-taking and service request statistics to manage the level of services provided to the City's customers. In the absence of proper benchmarking, the percentage of dropped calls are managed downwards, which serves as a measure of improving the level of services year-on-year.

Past year's performance - 2019/20

The directorate achieved the below financial indicators against the said targets, which illustrates that the directorate manages its finances closely in order to achieve its targets as reflected in the SDBIP.

- Capital spend: 91.4% (target: 90%)
- Operating spend 96.8% (target: 95%)
- Repairs and maintenance spend 95.8% (target: 95%)
- Training budget spend 97.0% (target: 95%)

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

The major sources of revenue generated by the Corporate Services directorate are:

- Grant Funding as per Division of Revenue Act
- Service Charges from the rental of spare capacity in the City's Broadband Project
- LGSeta – claims for prior year training costs incurred

Only the service charges generated from hiring out spare capacity in the City's Broadband project is demand driven and dependent on market forces. Even though the expansion of the Broadband project has resulted in no new infrastructure being implemented, the existing external users to the system remain unchanged and therefore no significant reduction in revenue is anticipated.

Historically, the other two major sources of revenue increase year-on-year. The City has no influence in determining the City's allocations in terms of these two funding sources.

Major features of expenditure including highlighting discretionary and non-discretionary expenditure

The directorate's major expenditure categories include:

- Salaries and Wages;
- Telecommunications Costs;
- Software Licensing;
- Professional Services;
- Corporate Training Programmes;
- Advertising Contracts; and
- Maintenance of the Broadband and ICT infrastructure.

Directorate capital programme

Two large investments are proposed in the IS&T environment:

- **Broadband Infrastructure Programme (BIP)**
This program was reviewed based on an audit recommendation and the latest BIP operating requirements based on the business plan, which will be submitted to Council shortly. The revised business plan is focused around optimising the City's broadband infrastructure and utilising the asset for internal usage.
- **Core Application Review (CAR):**
The City is currently undergoing a major (core) systems transformation. The upgrade/replacement of these core applications (ERP [SAP], EGIS and Productivity) is required as these applications are nearing its useful lifespan. The CAR project is tasked with defining the target architecture and roadmap for the City's core applications and is proposed to be implemented in a phased approach.

Both of the above projects must still progress through the conceptual stage gate review process for further investigation and analysis. The budget provision submitted to Council are therefore subject to change but represent the best estimate at this point in time, subject to affordability.

These projects will be subjected to regular review. No financial commitments have been made beyond the City's MTREF period.

Table 62 - Corporate Services (Vote 2) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Corporate Services									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	25	25	25	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	9	11	35	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	616	–	–	–	–	–	–
Licences and permits	–	–	0	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	24 756	21 258	22 743	12 262	11 031	11 031	43 407	53 028	55 133
Other revenue	60 948	46 788	47 120	45 517	44 731	44 731	46 118	48 239	50 410
Gains	953	178	47	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	86 691	68 260	70 585	57 780	55 762	55 762	89 525	101 268	105 543
Expenditure By Type									
Employee related costs	762 479	928 444	1 063 219	1 147 271	1 158 267	1 158 267	1 298 182	1 526 744	1 658 495
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	2	(27)	(4)	–	–	–	–	–	–
Depreciation & asset impairment	174 145	205 066	208 544	230 402	217 092	217 092	219 295	211 262	201 752
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	23 407	19 683	19 320	9 438	6 334	6 334	2 218	2 267	2 282
Contracted services	170 966	244 417	203 487	267 800	262 248	262 248	250 373	240 963	244 996
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other expenditure	439 130	339 009	401 671	406 852	487 052	487 052	500 584	579 634	705 658
Losses	953	781	1 065	66	163	163	71	74	77
Total Operating Expenditure	1 571 084	1 737 373	1 897 301	2 061 829	2 131 156	2 131 156	2 270 723	2 560 944	2 813 259
Surplus/(Deficit)	(1 484 392)	(1 669 113)	(1 826 716)	(2 004 050)	(2 075 393)	(2 075 393)	(2 181 198)	(2 459 676)	(2 707 716)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	986	582	–	–	1 000	1 000	1 000	1 000	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	416	876	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(1 482 991)	(1 667 656)	(1 826 716)	(2 004 050)	(2 074 393)	(2 074 393)	(2 180 198)	(2 458 676)	(2 707 716)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(1 482 991)	(1 667 656)	(1 826 716)	(2 004 050)	(2 074 393)	(2 074 393)	(2 180 198)	(2 458 676)	(2 707 716)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(1 482 991)	(1 667 656)	(1 826 716)	(2 004 050)	(2 074 393)	(2 074 393)	(2 180 198)	(2 458 676)	(2 707 716)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(1 482 991)	(1 667 656)	(1 826 716)	(2 004 050)	(2 074 393)	(2 074 393)	(2 180 198)	(2 458 676)	(2 707 716)
Capital Expenditure	370 959	252 050	157 647	242 020	225 143	209 732	248 768	398 624	562 244

2.12.3 Economic Opportunities & Asset Management (Vote 3)

The key purpose of the Economic Opportunities & Asset Management (EOAM) directorate is to position Cape Town as a city with an efficient environment conducive to economic growth, by leveraging its immovable property asset portfolio to the best interest of internal- and external clients.

The directorate also engages in the complete asset lifecycle management including the phases of planning, acquisition, holding and disposal. Due to the fact that the City has a substantial portfolio of assets, the efficient and effective distribution and management of these assets are critical to the sustained service delivery objectives of the City and the community it serves.

The directorate is made up of the following departments:

- **Enterprise and Investment department**

The broad aim of the department is to maximise the opportunity to improve Cape Town's business climate and establish it globally as an attractive investment destination with positive economic growth through various programmes and projects to encourage more business opportunities.

- **Property Management department**

The purpose of this department is to ensure a sustained and cost effective real estate, property development and immovable property asset management functionality. Property Management as the custodian of immovable property is responsible for the oversight of the deployment, use and performance of all immovable property assets, acquisition of immovable property assets required for infrastructure and service delivery purposes as well as the disposal of immovable property assets no longer required for delivery of basic municipal services.

- **Strategic Assets department**

The Strategic Assets department consist of a portfolio of strategic assets of high economic, environmental and heritage value, which require an asset specific management model. The purpose of the department is to optimally utilise these key assets to position Cape Town on a global platform, act as an enabler and leverage City's tourism, travel, events and investment strategies and ensure that entrepreneurs and cultural partners have a world class venue to use, perform and showcase their talents.

- **Facilities Management department**

The Facilities Management department provides a facilities management and maintenance service and implements a systematic approach to effectively maintain the performance of assets by procuring multi-disciplinary building services, ensuring statutory compliance, overseeing quality assurance and setting norms and standards that improves the life of the asset. The department also provides repairs and maintenance services as follows:

- To centralised asset users of corporate facilities (156 buildings).
- Community Services & Health (128 clinics, 104 libraries and 61 SDECDs)
- Safety & Security (30 fire stations, 13 Metro Police offices, 31 traffic centres)
- Corporate Services (11 courts)

- The Leased Out Improved Property Portfolio Maintenance (LOIPPM) portfolio focusses on 937 residential and commercial immovable assets, 317 vacant properties and procures security services to safeguard assets pre-and post-occupancy.

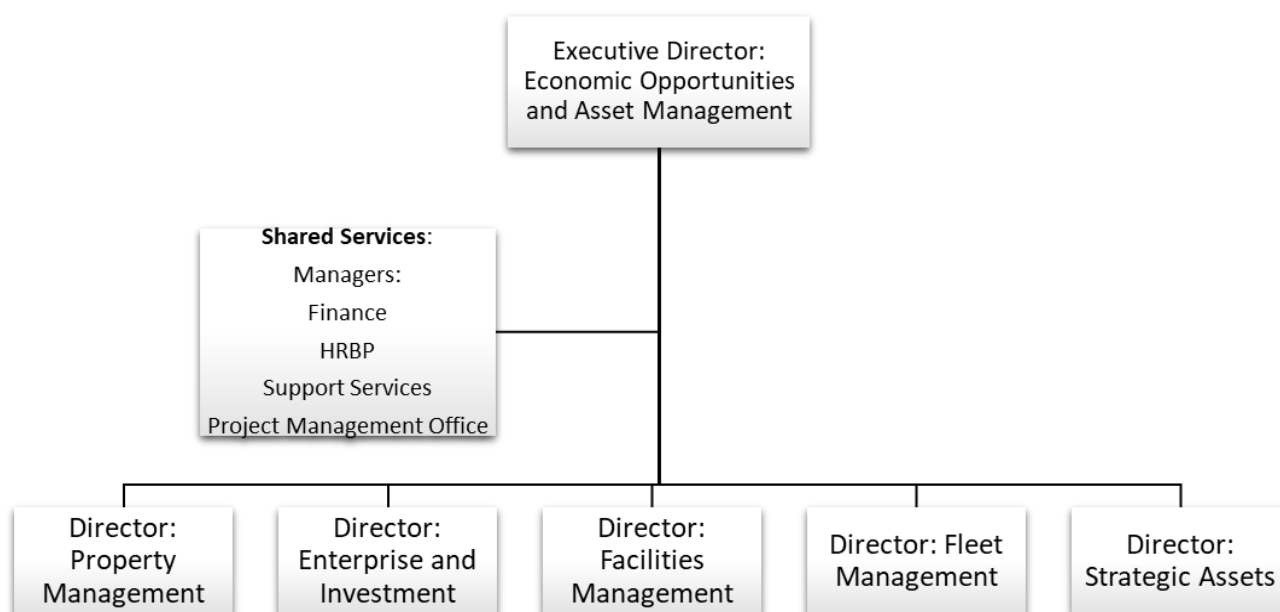
Furthermore, it provides a Transversal Facilities Management service via the facilitation of period tenders and contracts, project management, contract security management to building infrastructure as well as the provision of a quality assurance role in the built environment.

• **Fleet Management department**

The main function of this department is to provide a comprehensive fleet management service to fulfil the City's vehicles-, plant- and workshop requirements. Approximately 4500 Fleet (vehicles and plant equipment) are managed by this section i.e.

- Ensure availability of Fleet;
- Procurement and disposal of Fleet;
- Repairs and maintenance of Fleet;
- On-road fuelling of the Fleet and Fuel Management initiatives;
- Private hire management of Fleet;
- Legislative compliance and Regulatory compliance
- Fleet Tracking, Monitoring & Utilisation
- Accident Management and
- Business & Financial Planning.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: Opportunity City	1.1: Positioning Cape Town as a forward- looking, globally competitive city	1.1a: Ease of doing business 1.1 b: Cape Town business brand programme 1.1 e; Economic development and growth programme 1.1 f: Partnership development programme 1.1g: Leveraging the City's assets
	1.2: Leveraging technology for progress	1.2a: Digital City programme
	1.3: Economic inclusion	1.3 a: Skills investment programme 1.3 b: EPWP
	1.4: Resource efficiency and security	1.4a: Energy-efficiency and supply programme
SFA 2: Safe City	2.1: Safe Communities	2.1a: Safety technology programme
SFA 3: Caring City	3.1: Excellence in basic service delivery	3.1a: Excellence in service delivery
SFA 4: Inclusive City	4.1: Dense and transit-oriented growth and	4.1a: Spatial integration and transformation programme
	4.2: An efficient, integrated transport system	4.2b: Travel Demand management programme
	4.3: Building integrated communities	4.3 b: Citizen value programme
SFA 5: Well- Run City	5.1: Operational sustainability	5.1a: Efficient, responsible and sustainable City services programme
		5.1f: Service delivery improvement programme

Changes to service levels and standards over the MTREF

There are no material changes in revenue trends over the MTREF period for the directorate.

Past year's performance – 2019/20

The EOAM directorate performed very well from a financial perspective during the 2019/20 financial year. The directorate exceeded the targets for both capital- and operating budget expenditure.

Capital expenditure of 98.09% was recorded against the target of 90% and operating expenditure of 96.61% was recorded against the target of 95%.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

The directorate does not foresee any risks in achieving revenue projections or expect any major shifts in revenue patterns. No planned alternative sources of revenue are anticipated in the short-term. The biggest revenue sources currently are from the Profit on the Sale of Assets in the Property Management department (land sales) and Fleet Management department (vehicle auctions). Another major source of revenue is the rental generated from properties leased out by the Property Management department.

Major features of expenditure including discretionary and non-discretionary expenditure

The directorate's major expenditure categories include:

- Salaries and wages; and
- Repairs and maintenance.

Directorate capital programme

Significant capital projects to be undertaken over the medium term include, amongst others:

- Facilities management building infrastructure;
- Corporate accommodation;
- Facilities upgrades;
- Security hardening of various facilities;
- Replacement of vehicles / plant and associated equipment;
- Upgrading of fleet facilities;
- CTICC upgrades
- Upgrading of strategic assets such as Athlone Stadium and Grand Parade.

Table 63 - Economic Opportunities & Asset Management (Vote 3) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Economic Opportunities & Asset Management									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	189	469	551	532	532	532	581	610	642
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	(13)	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	258 685	158 956	207 257	179 224	177 557	177 557	177 602	184 383	192 690
Interest earned - external investments	163	88	226	–	–	–	–	–	–
Interest earned - outstanding debtors	7	43	27	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	5 393	149	3 187	–	–	–	–	–	–
Licences and permits	201	19	288	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	2 000	2 000	1 322	60 320	25 554	25 554	46 276	27 786	–
Other revenue	15 561	5 343	2 886	1 893	2 560	2 560	1 997	2 089	2 183
Gains	65 711	114 008	46 407	41 500	42 500	42 500	43 818	45 833	47 896
Total Operating Revenue (excluding capital transfers and contributions)	347 910	281 062	262 150	283 469	248 704	248 704	270 274	260 703	243 410
Expenditure By Type									
Employee related costs	398 837	420 575	465 399	530 675	522 623	522 623	542 918	566 393	592 005
Remuneration of councillors	–	–	(3)	–	–	–	–	–	–
Debt impairment	27 949	464	19 816	13 455	13 455	13 455	7 325	7 495	7 832
Depreciation & asset impairment	88 809	122 220	161 536	211 947	200 667	200 667	224 375	232 209	234 465
Finance charges	4	17	9	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	11 855	35 982	32 250	(11 971)	25 308	25 308	(1 703)	(2 826)	(4 003)
Contracted services	348 538	446 157	491 503	412 250	443 535	443 535	491 847	460 536	475 048
Transfers and subsidies	79 550	97 664	120 721	154 474	119 119	119 119	144 617	125 109	97 323
Other expenditure	70 441	114 062	110 643	112 121	98 134	98 134	89 714	101 587	103 564
Losses	813	1 258	760	31	36	36	37	38	40
Total Operating Expenditure	1 026 796	1 238 399	1 402 634	1 422 980	1 422 877	1 422 877	1 499 131	1 490 540	1 506 274
Surplus/(Deficit)	(678 886)	(957 337)	(1 140 484)	(1 139 511)	(1 174 173)	(1 174 173)	(1 228 857)	(1 229 838)	(1 262 864)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	4	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	1 689	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(678 882)	(955 648)	(1 140 484)	(1 139 511)	(1 174 173)	(1 174 173)	(1 228 857)	(1 229 838)	(1 262 864)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(678 882)	(955 648)	(1 140 484)	(1 139 511)	(1 174 173)	(1 174 173)	(1 228 857)	(1 229 838)	(1 262 864)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(678 882)	(955 648)	(1 140 484)	(1 139 511)	(1 174 173)	(1 174 173)	(1 228 857)	(1 229 838)	(1 262 864)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(678 882)	(955 648)	(1 140 484)	(1 139 511)	(1 174 173)	(1 174 173)	(1 228 857)	(1 229 838)	(1 262 864)
Capital Expenditure	295 284	272 714	391 416	580 321	359 072	352 195	215 801	305 809	418 516

2.12.4 Energy & Climate Change (Vote 4)

The Constitution stipulates that the City has a responsibility to ensure that the citizens of Cape Town have access to basic services. Municipal powers and functions are dealt with in Section 156 (Schedules 4B and 5B) of the Constitution. Specific functions pertaining to electricity reticulation, are contained in Schedule 4B. Specific functions pertaining to street lighting are contained in schedule 5B.

To meet this responsibility, the Energy & Climate Change directorate must ensure the provision of effective and reliable electricity services through effective management of natural resources and service delivery infrastructure.

The directorate is made up of two departments:

- **Sustainable Energy Markets department**

Branches within the department include Generation Development and Municipal Operations Efficiency, Renewable Energy & Energy Efficiency and Facilitation, Low Income Energy Services Delivery and Built Environment, Energy and Carbon Data Management & Integration Platforms.

The departmental focus is mainly on, but not limited to:

- Ensuring adoption of the Climate Change Policy for the City;
- Coordinating the implementation and monitoring of the City's Sustainable Energy Action Plan with departments and stakeholders towards achieving the Cape Town Energy 2040 vision;
- Ensuring the continuation of improving the City's own energy use and carbon footprint by retrofitting City buildings and operations; and
- Key cross-cutting projects including:
 - Developing partnerships for the City's path to sustainable growth: Initiating and building on beneficial partnerships locally, nationally and internationally to enhance and drive the City's path to a sustainable, low-carbon and inclusive future;
 - Green Procurement Programme and projects;
 - Friends and Neighbours Programme;
 - Smart Living and Working Programme;
 - The Mayor's Portfolio of Urban Sustainability; and
 - Ongoing implementation of the graduate intern and international intern programmes.

- **Electricity Generation & Distribution department**

The department has been in existence since 1895 in different forms but providing the same essential service. Branches include Supply, Infrastructure Management, Engineering, Enterprise Asset Management, Retail Management and Technical Support Services.

The department's core business is to provide reliable electricity supply to customers in the City's electricity services supply area and is licensed by NERSA to undertake this function. In order to ensure that the quality of electricity supply meets the required regulatory standards, the department monitors its performance in terms of NERSA guidelines as set out in the NRS048 documents.

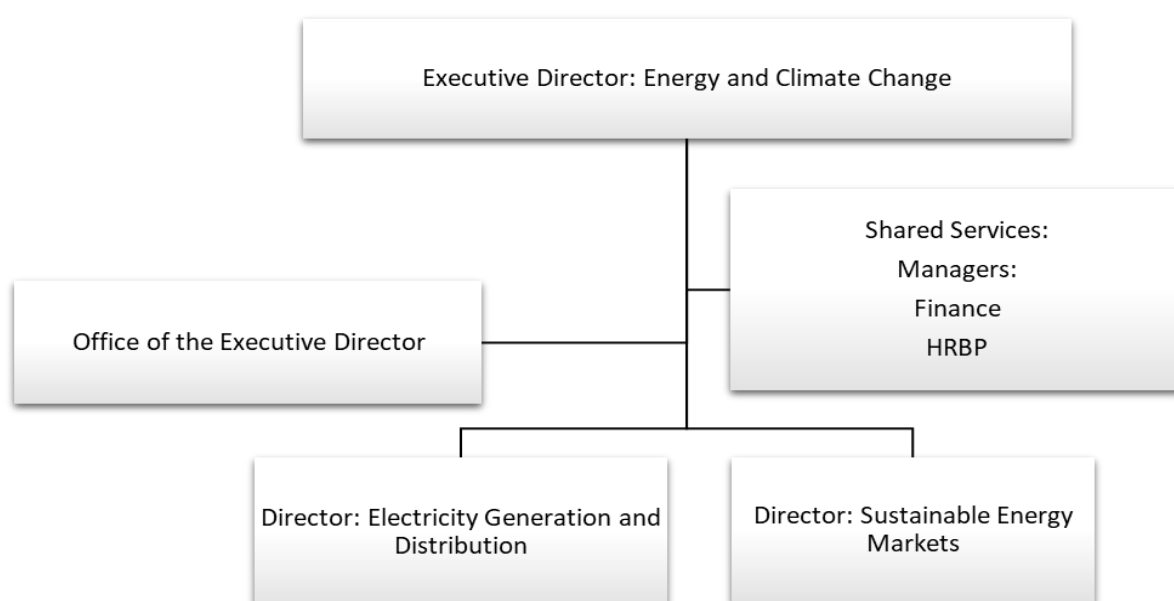
In accordance with the City's draft Energy and Climate Change Strategy, the department aims to promote the use of renewable energy as follows:

- Promote and facilitate the implementation of other renewable generation systems where practical;
- Keep abreast of national- and provincial developments regarding renewable energy and facilitate the incorporation thereof into City processes;
- Investigate the practicality of entering into long term power purchase agreements (PPAs) with independent power producers (IPPs) to provide electricity at the same price at which the City purchases it from Eskom;
- Manage the City's Small Scale Embedded Generation program, which provides for a limited amount of excess generation of small scale renewable energy generators to be fed back onto the municipal grid and to receive an associated credit; and
- Promote the finalisation of national technical specifications for the connection of small scale renewable generation to utility electrical grids.

The department, in partnership with the Sustainable Energy Markets department, aims to:

- Establish and implement an Energy Efficiency (EE) programme;
- Promote Eskom's Energy Saving Program to the City's electricity customers; and
- Establish and maintain an on-line EE and demand side management (DSM) resource.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: Opportunity City	1.1: Positioning Cape Town as a forward-looking, globally competitive City	1.C: Number of outstanding valid applications for commercial electricity services, expressed as a percentage of commercial customers.
	1.3: Economic inclusion	1.G: Percentage budget spent on implementation of Workplace Skills Plan
	1.4: Resource efficiency and security	1.L: Megawatts of small-scale embedded generation.
SFA 3: Caring City	3.1: Excellence in basic service delivery	3.D: Number of outstanding valid applications for electricity services, expressed as a percentage of total number of billings for the service
	3.2: Mainstreaming basic service delivery to informal settlements and backyard dwellers	3.K: Number of electricity subsidised connections installed
SFA 5: Well Run City	5.1: Operational sustainability	5.C: Percentage spend of capital budget

Changes to service levels and standards over the MTREF

The department is ready to respond to a national declared emergency and activate load shedding in accordance with the national requirements and the published load shedding schedules. Load shedding in the event of a system emergency is required in order to prevent the power system from sliding into an unstable state, which can lead to a national blackout with serious consequences.

The City's load shedding practices and schedules have been aligned with the national standard NRS048 part 9. Load-shedding schedules are posted on the City's official website.

Past year's performance – 2019/20

Operating expenditure amounted to 98.5%; the under expenditure was due to underspend on certain line items i.e. employee related costs due to the turnaround time in filling vacancies and freezing of posts, Contribution to Post-Retirement Medical Aid where the year-end actual calculation was less than budgeted, and repairs and maintenance due to reduced maintenance being performed as a result of COVID-19 lockdown regulations.

Capital expenditure of 89.9% was achieved, which is a reasonable achievement considering the legislative environment within which to spend. The directorate operates within an environment where declining sales is the norm and has to plan and budget accordingly. A few vendors/suppliers/contractors were under business rescue or did not have the capacity/resources to implement work as a result of the COVID-19 lockdown.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

The current infrastructure within the geographical area of Cape Town needs to be refurbished and maintained to ensure that the condition of the current networks and infrastructure is improved to meet the business and social challenges in electrification in South Africa. This supports the City's IDP by enabling an Opportunity City, by providing a Safe City that is a Caring City through excellence in basic services.

The directorate considers itself well-run as is evidenced in the revenue collection and low levels of electrification backlog. The energy industry is changing and the sales environment is declining, yet the directorate has to prepare its business to meet the future energy needs of the City's residents. The introduction of the Home User tariff has assisted in the structural change required to limit the impact of declining sales. The directorate's revenue protection teams are working tirelessly on maintaining the current collection rates and minimising the City's losses. The continued roll-out of split prepaid metering will also assist in limiting losses.

Major features of expenditure including discretionary and non-discretionary expenditure

Bulk purchases of electricity from Eskom represents a substantial part of our budget - around 61%; the City has previously paid these charges to Eskom within the due dates.

The directorate also collects the non-regulatory portion of its tariffs, which represents 10% of sales for redistribution within the Rates account. The directorate's revenue protection efforts continue to assist in limiting these increases.

Directorate capital programme

The capital budget is funded from a number of funding sources with the CRR, EFF and CGD being the largest. It is critically important to match the benchmark for the investment in refurbishment in accordance with international best practice to ensure good quality of supply and excellent customer- and delivery service.

EFF envelopes are set by Corporate Finance and increases in capital charges related to this funding source have an impact on tariffs. Funding of non-income generating projects in respect of infrastructure and refurbishment have been moved from EFF (loans) to CRR (revenue) where there is sufficient CRR available on a year-on-year basis. Over a period of time this will have the effect of reducing tariff increase requirements.

Table 64 - Energy & Climate Change (Vote 4) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Energy & Climate Change									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	11 810 552	13 042 789	14 247 662	13 789 292	13 829 651	13 829 651	15 734 519	17 571 702	19 655 043
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	40	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	1 042	959	490	1 067	1 067	1 067	1 100	1 150	1 202
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	24 402	28 865	33 632	27 655	36 155	36 155	36 000	37 656	39 351
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	17 606	19 930	3 552	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–
Agency services	–	265	–	–	–	–	–	–	–
Transfers and subsidies	7 394	3 899	930	950	825	825	800	600	–
Other revenue	143 752	115 982	131 697	30 266	30 266	30 266	31 207	32 645	34 118
Gains	3 166	1 517	265	2 500	2 500	2 500	2 500	2 615	2 733
Total Operating Revenue (excluding capital transfers and contributions)	12 007 914	13 214 247	14 418 228	13 851 730	13 900 465	13 900 465	15 806 126	17 646 368	19 732 446
Expenditure By Type									
Employee related costs	1 038 476	1 146 051	1 191 163	1 453 129	1 470 992	1 470 992	1 418 029	1 481 020	1 547 923
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	51 184	17 907	106 389	303 535	130 969	130 969	145 435	162 422	181 686
Depreciation & asset impairment	312 853	359 643	379 796	419 097	401 267	401 267	418 772	439 377	451 720
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	7 870 527	8 281 772	9 317 868	9 585 215	9 585 215	9 585 215	11 182 400	12 669 659	14 354 724
Inventory consumed	112 372	114 422	100 684	157 959	155 857	155 857	157 234	162 372	167 629
Contracted services	267 922	268 797	278 794	307 766	321 358	321 358	328 044	337 697	349 052
Transfers and subsidies	–	–	–	–	600	600	600	600	600
Other expenditure	153 415	161 761	167 024	185 294	187 296	187 296	190 444	197 098	205 318
Losses	3 322	949	415	450	450	450	464	485	507
Total Operating Expenditure	9 810 072	10 351 302	11 542 133	12 412 445	12 254 004	12 254 004	13 841 423	15 450 732	17 259 159
Surplus/(Deficit)	2 197 842	2 862 945	2 876 094	1 439 285	1 646 460	1 646 460	1 964 703	2 195 637	2 473 287
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	88 776	98 960	26 358	44 500	35 715	35 715	48 790	33 700	18 000
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	51 745	37 192	28 557	132 705	130 205	130 205	127 803	141 742	138 333
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	2 338 363	2 999 097	2 931 009	1 616 490	1 812 380	1 812 380	2 141 297	2 371 078	2 629 620
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	2 338 363	2 999 097	2 931 009	1 616 490	1 812 380	1 812 380	2 141 297	2 371 078	2 629 620
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	2 338 363	2 999 097	2 931 009	1 616 490	1 812 380	1 812 380	2 141 297	2 371 078	2 629 620
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	2 338 363	2 999 097	2 931 009	1 616 490	1 812 380	1 812 380	2 141 297	2 371 078	2 629 620
Capital Expenditure	1 024 550	749 456	622 239	1 049 131	852 722	799 006	1 014 657	1 162 227	1 486 852

2.12.5 Finance (Vote 5)

The Finance directorate promotes sound and sustainable management of the City's financial resources, in compliance with the MFMA, together with other related legislation, policies and procedures.

The directorate's main priorities include, inter alia:

- Providing an enabling environment to optimise the utilisation of financial resources allocated to service delivery;
- Clean audits;
- Maintaining good credit ratings;
- Providing the City's long term financial planning framework and guidelines;
- Assessing of macro, economic, national and regional environments which influence and affect the City's financial plan;
- Developing strategies that support the alignment of grant funding to the City's development interventions;
- Revenue collection;
- Supporting the City's supply chain function; and
- Supplementary- and General Valuation projects.

Roles and responsibilities of the Finance directorate:

- Giving financial effect to the strategic focus of the City in the form of a short-, medium- and long term financial plan which is credible, viable and sustainable.
- Providing a financially controlled environment by ensuring timeous and accurate payment of creditors, councillors, officials and EPWP workers in compliance with relevant legislation.
- Establishing and managing standardised grant fund governance protocols aimed at ensuring corporate financial and reporting (financial/non-financial) visibility coupled with legislative and policy compliance whilst maximising the City's grant fund receipts.
- Providing effective and efficient revenue management services, which includes rates and services, housing rentals and property management leases as well as motor vehicle registration and licensing.
- Supporting the City in all its supply chain matters, guiding and promoting statutory compliance to supply chain legislation.
- Providing and maintaining meaningful, accurate and coherent financial records to facilitate the management and control of expenditure activities against the objectives set by the budget and all forms of financial and statutory accountability finally embraced in the audited financial statements.
- Building a credible standing with the Auditor-General for the promotion of confidence in the financial records of the City.
- Managing the City's banking, investments, borrowings and cash flow (including municipal bond issues) in the most cost effective and efficient manner possible.
- Creating the base for raising income, which funds approximately 23.1% of the City's operational budget. This income is derived from the property rate implemented on the market related property valuations.

The Finance directorate's intention is achieved through its seven departments:

- **Budgets department**

The Budgets department provides an enabling environment (from a support service, budgetary perspective) to optimise the utilisation of financial resources allocated to service delivery of City functions and the compilation, amendment, monitoring and reporting financial/budgetary data sets within the relevant legislative framework.

- **Expenditure department**

The Expenditure department seeks to provide a financially controlled environment, using the limited resources and internal controls by ensuring timeous and accurate payment of creditors, councillors, officials and EPWP workers in compliance with relevant legislation. Furthermore, the department ensures that all Payroll accounts are reconciled and that the City has a well-managed Travel Management system.

- **Grant Funding department**

The key imperatives of the Grant Funding department relate to its mandates in terms of supporting the City's operational and financial sustainability through its structured acquisition, governance and transversal roles with respect to the diverse array of conditional grant funds received from National- and Provincial government. The department aims to maximise the City's access to and influence on the allocation of conditional grant funds in a manner which maximises the funding mix of the diverse array of grants received by the City.

- **Revenue department**

The Revenue department is a customer-focused department providing effective and efficient revenue management services, which include rates and services, housing rentals and property management leases as well as motor vehicle registrations and licensing, by informing citizens through council structures as to their responsibility in creating a solvent and prosperous City; which supports the application of an affordable and appropriate user-pays strategy whilst acknowledging the severe economic challenges faced by many of the city's poorer residents.

- **Supply Chain Management (SCM) department**

The SCM department supports and manages procurement policy, systems and processes for the acquisition and disposal of goods, works and services; promotes compliance to a procurement system which is fair, equitable, transparent, cost-effective and competitive; promotes black economic empowerment and local economic development and also encourages the promotions of small businesses in order to create sustainability and economic opportunities for the residents of the City. It aims to be a centre of excellence supported by competent practitioners who provide strategic supply chain support to the City in achieving its IDP objectives

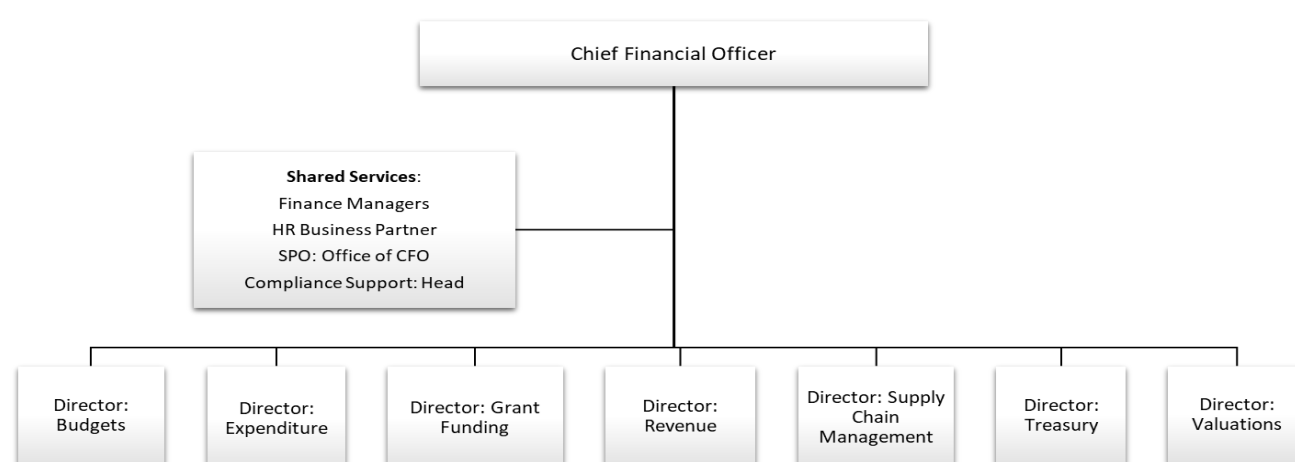
- **Treasury department**

The Treasury department provides and maintains meaningful, accurate and coherent financial records to facilitate the management and control of expenditure activities against the objectives set by the budget and all forms of financial and statutory accountability finally embraced in the audited financial statements. The department strives to build a credible standing with the Auditor-General for the promotion of confidence in the financial records of the City. The department ensures asset management is pro-active for accountability over an extensive array of assets. It manages the City's banking, investments, borrowings and cash flow (including municipal bond issues) in the most cost effective and efficient manner possible. It ensures the continuous viability of the General Insurance Fund and the City's Exempt Status under the Compensation for Occupational Injuries and Diseases Act (130 of 1993) and management of the Fund's core functions inherent in the provision of a self-insurance concept facility to the City. It increases the City's "resilience" in its service delivery process and targets. The department is also responsible for regulating, managing and monitoring Municipal Entities for maximum shareholding returns, financial performance, legislative and policy compliance. The department also ensures that municipal entities operate openly and transparently and that the community and the City receives a return on the service provided.

- **Valuations department**

The Valuations department delivers a high quality and impartial valuation service to customers to sustain a cost effective, just and accurate valuation roll that is up to date, taking all new development and land changes into account. The roll serves as the basis for the calculation of fair and equitable rates for the City, provides an effective non-conditional revenue stream taking cognisance of the ability-to-pay principal supported by Council and giving due relief, through the Rates policy, for the indigent, those on government support grants and the public benefit organisations providing supportive services to the City community.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objective	IDP Programme
SFA 1: Opportunity City	1.1: Positioning Cape Town as a forward looking globally competitive City	1.1a: Ease of Doing Business 1.B: Percentage of rates clearance certificates issued within 10 working days
SFA 4: Inclusive City	4.3: Building integrated communities	4.3.h: Cross subsidisation Programme 4.3.h.1: Rebates and Indigent Project
SFA 5: Well-Run City	5.1: Operational sustainability	5.1.a: "Efficient, responsible and sustainable programme" 5.A: Opinion of independent rating agency 5.B: Opinion of the Auditor-General 5.C: Percentage spend of capital budget 5.D: Percentage spend on Repairs and Maintenance 5.E: Cash/Cost coverage ratio (excluding unspent conditional grants) 5.F: Net Debtors to Annual Income 5.G: Debt (total borrowings)/Total Operating Revenue

Changes to service levels and standards over the MTREF

There are no material changes in trends over the MTREF period for the directorate.

Past year's performance – 2019/20

The Finance directorate's performance for the past year has been positive, demonstrated by the continuous, positive contributions to the City's audit outcomes. The directorate has assisted in creating a positive environment conducive to a high investment rating outcome and ensure effective cash management.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

There are no material changes in revenue trends over the MTREF period for the Finance directorate.

Major features of expenditure including discretionary and non-discretionary expenditure

The directorate's major expenditure categories include:

- Salaries and Wages
- Contracted Services – mostly linked to MURP projects
- Depreciation
- Finance Charges

Capital Programme

The key projects contained within the 2021/22 capital budget of the Finance directorate support both financial control and enhanced service delivery and include a number of strategically aligned projects to support the ease with which ratepayers can engage and do business with the City.

The majority of the capital budget over the next MTREF relates mainly to Aerial photography, E-Tendering, furniture & IT equipment, security at cash offices, system enhancements, upgrades to cash offices, and computer software.

Table 65 - Finance (Vote 5) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Finance									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Operating Revenue By Source									
Property rates	8 470 387	9 319 555	9 841 785	10 252 881	10 254 881	10 254 881	10 690 206	11 224 716	11 755 576
Service charges - electricity revenue	–	–	5 204	–	–	–	–	–	–
Service charges - water revenue	(298 806)	–	774	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	1 136	–	–	–	–	–	–
Service charges - refuse revenue	(255 968)	(276 382)	(226 890)	(301 777)	(313 332)	(313 332)	(311 132)	(334 321)	(339 225)
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	6 631	14	11	2	2	2	2	2	2
Interest earned - external investments	877 692	1 120 548	1 283 154	847 340	975 909	975 909	854 917	912 204	883 888
Interest earned - outstanding debtors	81 672	76 080	120 435	115 512	114 812	114 812	140 562	148 722	159 908
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	156 734	136 689	5 906	513	513	513	529	553	578
Licences and permits	(1)	(0)	–	–	–	–	–	–	–
Agency services	199 068	216 445	190 372	228 818	228 818	228 818	247 124	266 893	288 245
Transfers and subsidies	4 817 578	5 263 605	5 489 976	3 137 157	3 121 028	3 121 028	3 269 619	3 481 543	3 546 346
Other revenue	189 108	99 580	251 731	2 658 458	2 657 324	2 657 324	2 672 513	2 779 007	2 774 811
Gains	106	341	17	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	14 244 201	15 956 476	16 963 610	16 938 904	17 039 955	17 039 955	17 564 339	18 479 320	19 070 129
Expenditure By Type									
Employee related costs	888 483	1 470 171	709 769	1 093 854	1 172 736	1 172 736	1 109 542	1 152 432	1 204 702
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	173 556	282 517	470 769	1 023 242	1 023 242	1 023 242	524 087	613 197	597 192
Depreciation & asset impairment	205 817	206 508	200 645	194 406	192 624	192 624	201 998	202 297	214 600
Finance charges	740 218	716 333	766 667	771 474	794 394	794 394	740 582	1 223 407	1 458 443
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	19 751	18 008	11 921	20 031	16 300	16 300	15 654	15 686	15 648
Contracted services	73 731	65 561	41 278	56 918	65 450	65 450	61 061	62 491	63 946
Transfers and subsidies	24 167	55 152	64 903	80 718	80 718	80 718	75 949	42 587	41 611
Other expenditure	343 188	384 147	360 433	444 443	451 977	451 977	492 340	502 919	521 129
Losses	75 303	163 114	67 660	1 222	1 252	1 252	1 291	1 350	1 411
Total Operating Expenditure	2 544 215	3 361 510	2 694 046	3 686 308	3 798 693	3 798 693	3 222 505	3 816 366	4 118 683
Surplus/(Deficit)	11 699 986	12 594 965	14 269 564	13 252 597	13 241 262	13 241 262	14 341 834	14 662 954	14 951 447
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	128	1 354	669	330	280	280	60	190	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	11 700 114	12 596 319	14 270 233	13 252 927	13 241 542	13 241 542	14 341 894	14 663 144	14 951 447
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	11 700 114	12 596 319	14 270 233	13 252 927	13 241 542	13 241 542	14 341 894	14 663 144	14 951 447
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	11 700 114	12 596 319	14 270 233	13 252 927	13 241 542	13 241 542	14 341 894	14 663 144	14 951 447
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	11 700 114	12 596 319	14 270 233	13 252 927	13 241 542	13 241 542	14 341 894	14 663 144	14 951 447
Capital Expenditure	14 009	26 225	63 051	268 787	274 033	256 358	25 515	90 315	16 650

2.12.6 Human Settlements (Vote 6)

The Human Settlements directorate leads the City's efforts at facilitating the development of integrated and sustainable human settlements, a work focus area closely aligned with the IDP's Strategic Focus Area 3 (A Caring City) and Strategic Focus Area 4 (The Inclusive City).

The key objectives of the Human Settlements directorate are therefore to:

- Facilitate and develop sustainable integrated human settlements;
- Integrate the delivery of housing opportunities with the objectives and deliverables of the rest of the City, thereby ensuring that these contribute to the creation of a compact city and optimal use of facilities;
- Improve informal settlements and backyard precincts incrementally and create a better-quality living environment, rather than merely providing shelter;
- Manage and maintain the City's rental housing assets strategically; and
- Promote and ensure meaningful partnerships with private sector and community-based stakeholders towards the development of affordable housing.

The above mentioned objectives are realised through projects and programmes implemented in the various line departments within the directorate:

- **Housing Development department**

The core function of this department is to facilitate and develop sustainable integrated human settlements in alignment with the National Housing Code, the City's Spatial Development Framework and the City's Transit Oriented Development Framework. This is done by managing the initiation, planning and implementation of integrated human settlement projects and facilitating the development of social facilities and amenities. Furthermore, the department is responsible to facilitate the development of social- and gap housing in identified restructuring zones within the City to ensure the provision of affordable rental- and full-title ownership housing in well-located areas within the City. Lastly, the department is responsible for the upliftment of local communities through the management of People's Housing Programme (PHP) projects.

- **Public Housing department**

The Public Housing department is responsible to direct, manage and control the operations with regard to the transfer of the City's public housing assets, as well as for tenancy transfer and management. The department is also responsible for the development and implementation of maintenance plans by assessing conditions, maintenance costing, and roll-out. The department also manages and administers properties envisaged to be retained as operational staff housing.

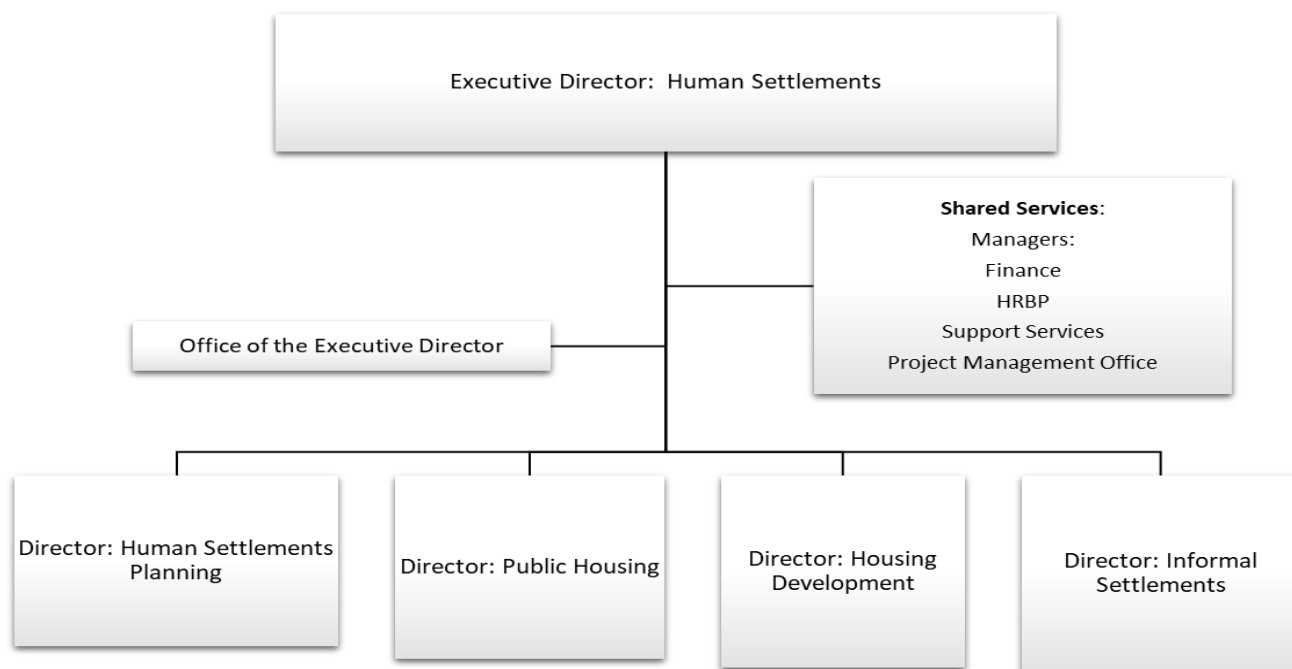
- **Informal Settlements department**

The primary function of this department is the upgrading of informal settlements through a variety of interventions i.e. in-situ upgrading of informal settlements via the National Upgrading of Informal Settlements Programme, re-blocking and enhanced re-blocking as well as super-blocking. The latter interventions can result in individual serviced sites or the provision of shared basic services. The department, furthermore, provides basic municipal services to households residing in the backyards of City-owned rental housing. In addition, the department is responsible to provide emergency housing, fire- and flood kits when the need arises.

• Human Settlements Planning department

The core objective of the department is to provide strategic support in the implementation of human settlement programmes, which will be achieved through the development of human settlements operational strategies and policies that inform human settlements plans and programmes. Furthermore, this department is responsible for strategic identification and acquisition of land for human settlements purposes as well as focus on beneficiary and tenure administration.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives/Programmes	IDP Programme
SFA 3: Caring City	3.1 Excellence in basic service delivery	3.1.c Housing programme: - Densification project - New housing development project - Public-private housing demand project - Social housing safety project - Housing financing options project
	3.2. Mainstreaming basic service delivery to informal settlements and backyard dwellers	3.2.a Basic service delivery programme: - Encouraging and supporting backyard dwellings projects
		3.2.b Human settlements programme: - Informal settlements services project - Informal settlement formalisation project - Settlement mix project: Integrated settlement project
SFA 4: Inclusive City	4.1. Dense and transit-oriented urban growth and development	4.1.a Spatial integration and transformation programme: - Spatial transformation - Urbanisation Management 4.1.b Transit-Oriented Development catalytic projects land development programme (CLDP): - Paardevlei

Changes to service levels and standards over the MTREF

There are no material changes in trends for the directorate over the MTREF period.

Past year's performance – 2019/20

The directorate achieved the following financial indicators in the 2019/20 financial year:

- Capital spend: 96% (target 90%)
- Operating spend: 89% (target 95%)
- Repairs and maintenance spend: 105% (target 95%)
- Training budget spend: 100% (target 95%)

The following achievements have been accomplished by the directorate:

- Human Settlements opportunities provided (Top Structures): 2 738 (target 2 565)
- Human Settlements opportunities provided (Serviced Sites): 785 (target 785)
- Sites serviced in the informal settlements (incremental housing and re-blocking: 924 (target: 854)
- Service points (toilet and tap with hand basin) provided to backyarders: 428 (target: 300)
- Number of Registration of Transfers in historical projects: 515 (target: 500)
- Deeds of Sale agreements signed with identified beneficiaries per annum: 509 (target: 600)

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Collection of rental income is under pressure as a result of the financial impact of the COVID-19 pandemic on tenants resulting in continued growth in outstanding rental debt. Appropriate debt management measures are in place to address this situation.

Major features of expenditure including discretionary and non-discretionary expenditure

The directorate's major categories of expenditure will be the:

- construction of top structures for qualifying beneficiaries;
- repairs and maintenance in respect of the City's rental units;
- the implementation of the managed settlement initiative in response to unlawful land occupation; and
- securing of land, identified by Human Settlements for development, from invasion.

Directorate capital programme

The directorate's capital programme for 2021/22 is made up of the following major projects:

- ACSA Symphony Way Housing Project
- Beacon Valley Housing Project;
- Macassar BNG Housing Project;
- Imizamo Yethu Housing Project (CRU Top Structures);
- Sheffield Road Housing Project;
- Highlands Drive Infill Housing Project;
- Hostels Transformation Programme;
- Informal Settlement Upgrade – Enkanini;
- Informal Settlement Upgrade – Kosovo;
- Informal Settlement Upgrade –Gugulethu Airport Precinct;
- Informal Settlements upgrade programme;
- Land acquisitions;
- Major Upgrading of Housing Rental Stock; and

Table 66 - Human Settlements (Vote 6) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Human Settlements									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	137	204	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	173 404	221 875	123 612	166 574	166 574	166 574	161 050	168 466	176 054
Interest earned - external investments	95	1 149	178	195	195	195	201	210	220
Interest earned - outstanding debtors	(0)	–	–	1 800	1 800	1 800	1 856	1 941	2 029
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	14	2	1 284	–	–	–	–	–	–
Licences and permits	134	6	13	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	428 140	470 999	528 302	383 710	422 502	422 502	303 192	340 564	308 524
Other revenue	21 276	16 154	31 248	12 708	12 708	12 708	14 429	15 093	15 772
Gains	3 204	406	2 925	5 000	5 000	5 000	500	523	547
Total Operating Revenue (excluding capital transfers and contributions)	626 267	710 729	687 766	569 987	608 779	608 779	481 228	526 797	503 145
Expenditure By Type									
Employee related costs	309 198	315 131	362 302	421 085	397 186	397 186	488 001	482 793	504 550
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	103 861	90 598	155 172	174 876	174 876	174 876	169 996	167 495	162 670
Depreciation & asset impairment	116 846	123 103	127 107	223 722	153 039	153 039	178 801	195 968	216 023
Finance charges	309	1 194	241	241	241	241	249	260	272
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	27 483	56 846	76 739	25 426	53 590	53 590	28 918	28 918	28 918
Contracted services	250 988	387 350	493 775	420 348	523 102	523 102	581 586	577 993	541 337
Transfers and subsidies	244 016	165 311	139 509	106 000	150 518	150 518	65 000	61 436	58 626
Other expenditure	36 004	12 468	17 164	22 731	51 469	51 469	31 096	35 319	39 535
Losses	3 312	5 724	5 402	27	27	27	28	29	30
Total Operating Expenditure	1 092 017	1 157 725	1 377 412	1 394 457	1 504 048	1 504 048	1 543 674	1 550 211	1 551 961
Surplus/(Deficit)	(465 750)	(446 996)	(689 646)	(824 470)	(895 269)	(895 269)	(1 062 446)	(1 023 414)	(1 048 816)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	339 052	475 062	624 689	683 339	576 268	576 268	684 652	792 907	871 896
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Deparim Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(126 698)	28 066	(64 957)	(141 131)	(319 000)	(319 000)	(377 794)	(230 507)	(176 921)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(126 698)	28 066	(64 957)	(141 131)	(319 000)	(319 000)	(377 794)	(230 507)	(176 921)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(126 698)	28 066	(64 957)	(141 131)	(319 000)	(319 000)	(377 794)	(230 507)	(176 921)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(126 698)	28 066	(64 957)	(141 131)	(319 000)	(319 000)	(377 794)	(230 507)	(176 921)
Capital Expenditure	464 837	670 112	858 297	894 903	781 009	789 328	827 201	1 008 878	1 056 944

2.12.7 Office of the City Manager (Vote 7)

The City Manager heads the administration of the City and chairs the City's Executive Management Team (EMT), whose primary responsibility is to advise the City Manager on service delivery matters, strategy and policy. The City's EMT also supports the City Manager by driving the implementation of strategic programmes within the 5-year IDP.

The vision of the Office of the City Manager is to be a trusted centre that advises, provides direction and engages with internal- and external partners. This is to assist the City to become known for its effective and equitable service delivery and to distinguish itself as a well-governed and efficiently run administration contributing to the achievement of the goals and objectives of the IDP.

The Office of the City Manager comprises the following departments/units:

- **Legal Compliance Unit**

The primary function of this unit is to mitigate risk against Council and its structures, the Executive Mayor, City Manager and Executive Directors. This function is executed by way of rendering effective and efficient legal services by providing legal advice (formally and including in meetings such as Council and MayCo) and guidance, drafting or procuring opinions and agreements and providing legal assistance within the Office of the City Manager. Furthermore, the unit is responsible for ensuring the legal compliance of all reports submitted to Council and its structures, the Executive Mayor, the Mayoral Committee and the City Manager.

In addition, the unit deals with the management and finalisation of section 62 appeals and the management and finalisation of resolutions of disputes, objections and complaints in accordance with regulations 49 and 50 of SCM Regulations. The Unit moreover assists with the restriction of suppliers, found to have abused the supply chain management process, in terms of regulation 38 of the SCM Regulations.

The unit provides legal support to the office of the City Manager generally and in his/her capacity as the Appeal Authority and to the Independent and Impartial Person as per SCM regulations 49 and 50. The City Manager heads the administration of the City and chairs the City's Executive Management Team (EMT), whose primary responsibility is advising the City Manager on service delivery matters, strategy and policy. The EMT also supports the City Manager by driving the implementation of strategic programmes within the 5-year IDP.

- **Office of The Executive Mayor department**

The main role of this department is to support the Executive Mayor in identifying the needs of the municipality, and recommend ways to realise those needs by means of the City's IDP and budget. The department also supports the Executive Mayor in monitoring the administration, reviewing the performance of the municipality and overseeing service delivery.

The department ensures the efficient and effective management of the executive political office of the Executive Mayor by providing strategic services. The Office includes Governance, Administrative, Media & Protocol, Stakeholder's Engagement, Legal Advice, Mayoral Fund, Political & Strategic Communication, International Relations and the Mayor's correspondence/complaints branch, who all render a service to support the Executive Mayor and his office. The Office of the Executive Mayor also has a daily working relationship with the VIP Unit, Events & Protocol who engage to support the Executive Office.

The Office of the Executive Mayor also performs political/administrative interface with Mayoral Committee Members, Council, City Manager, Provincial Government and National Government.

- **Probity department**

The Probity department comprises of the Internal Audit (IA); Risk, Ethics and Governance (REG); Office of the City Ombudsman (OCO); Forensics Services (FS) and Office of the Portfolio Manager: Probity (O-PMP) functions. As the leading trusted governance and assurance advisor and partner, the Probity department aims to provide insight and foresight, and to assist the organisation in making governance a key enabler to effective, equitable, and sustainable service delivery.

The Chiefs of the independent assurance providers (IAPs) i.e. IA; FS; REG and OCO are responsible and accountable for their respective operations and functional responsibilities, and the Portfolio Manager: Probity (PMP) has no oversight on the work performed. Outputs of the IAPs will be used relative to the PMP's role in the organisational Combined Assurance (CA) programme, which includes quality assurance, data integrity, consequence management, early warning systems and integrated governance reporting.

Probity is positioned for continued value-add, resilience, and professional excellence in its role as a governance and assurance partner and advisor to management. Our focus includes strengthened professional relationships with internal- and external assurance providers, and regulatory- and professional bodies, for the provision of coherent and consistent support to management, the City Manager (CM) as the Accounting Officer (AO), Executive Management Team (EMT), Risk Management Committee (RiskCo), Audit and Performance Audit Committee (APAC), and other applicable oversight/ governance structures.

Performance objectives and indicators

Strategic Focus Area	Objectives/Programmes	IDP Programme
SFA 5: Well-Run City	Objective 5.1. Operational sustainability	5.1.a. Efficient, Responsible and Sustainable City Services 5.1.c. Compliant Service Delivery Programme 5.1.f. Service Delivery Improvement

Changes to service levels and standards over the MTREF

There are no material changes in trends over the MTREF period for the directorate.

Past year's performance – 2019/20: Probity department

King IV defines corporate governance as the application of ethical and effective leadership by a governing body, which, in the municipal setting, is the municipal council. Good governance outcomes include an ethical culture, good performance, effective control and legitimacy. More specifically, principle 5 in King IV states that Council should ensure that its reports are underpinned by integrated thinking and present information about the resources and relationships on which the municipality relies, its activities, outputs and outcomes in an integrated manner. Such reports, King IV states, are an effective way of informing the community and stakeholders about the municipality's performance.

The recommendations in reports issued by independent internal assurance providers are aimed at mitigating identified risks, addressing control weaknesses, eliminating fraud and corruption, and exploring alternative dispute resolution mechanisms. The reports are issued to appropriate stakeholders, including the Mayoral Committee, the Executive Mayor, Executive Deputy Mayor, City Manager, Executive Directors and line management. Where deemed necessary, reports are submitted to the EMT Governance and Risk Subcommittee, but may be subjected to broader EMT scrutiny as well. When required, the City Manager also issues memorandums to staff members responsible for the implementation of corrective action, to address Probity recommendations in an appropriate and timely manner.

Based on the results of audits, investigations and other engagements, the independent internal assurance providers submit quarterly reports to APAC, highlighting key governance and control issues as well as emerging risks identified. These reports describe functional and administrative performance against key operating indicators and targets. The PMP, in turn, submits a bi-annual report to APAC relating to the City's CA activities. In addition, IA drafts an annual statement on governance, risk and internal controls, which is issued to various stakeholders, including the EMT and APAC.

The O-PMP also issues a quarterly integrated governance report to the Executive Mayor, Executive Deputy Mayor, City Manager, EMT and EMT Governance and Risk Subcommittee. Based on these quarterly reports, an annual integrated governance report is compiled to provide an overview of the City's leadership and oversight bodies' role in good corporate and ethical governance. The quarterly and annual integrated governance reports include key reporting items as identified and reported on by the independent internal assurance providers, and the corrective measures and governance initiatives undertaken in the City to address these.

Performance is monitored via the Probity SDBIP, which includes key performance indicators (KPIs), as required by the Municipal Systems Act. One of the KPIs is the percentage of approved audit engagements/investigations/risk registers completed. Refer to the following table for the results of the 2019/20 financial year: The outcomes of these engagements are reported to the appropriate stakeholders to facilitate the timely implementation of the required corrective action(s). The detailed performance and progress made by Probity are also included in the above-mentioned quarterly Integrated Governance Reports.

Independent internal assurance provider	Target	Actual
Integrated Risk Management (IRM) (within REG)	240	352
Ethics (within REG)	20	21
Internal Audit	80	86
Forensic Services	150	109
Office of the Ombudsman	1 400	1 565

The outcomes of these engagements are reported to the appropriate stakeholders to facilitate the timely implementation of the required corrective action(s). The detailed performance and progress made by Probity are included in the Integrated Governance Report 2019/20.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Not applicable to the directorate.

Major features of expenditure including discretionary and non-discretionary expenditure

The directorate's main expenditure categories include:

- Employee Related Cost;
- Contracted Services; and
- Other expenditure.

Directorate capital programme

The directorate's capital budget relates to additional- and replacements of office furniture and IT equipment.

Table 67 - Office of the City Manager (Vote 7) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Office of the City Manager									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	–	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	12	60	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	54	–	–	–	–	–	–	–
Other revenue	100	49	35	6	6	6	7	7	7
Gains	5	0	0	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	117	164	35	6	6	6	7	7	7
Expenditure By Type									
Employee related costs	110 741	137 260	156 723	180 037	174 794	174 794	175 410	183 084	191 460
Remuneration of councillors	1 339	1 372	1 445	1 564	1 564	1 564	1 564	1 633	1 708
Debt impairment	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	1 249	1 560	1 674	1 686	1 592	1 592	1 425	1 164	916
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	1 252	1 770	2 446	1 507	2 361	2 361	2 373	2 373	2 373
Contracted services	3 636	9 386	11 039	34 677	25 655	25 655	87 290	53 790	88 791
Transfers and subsidies	4 779	2 383	29 650	11 502	23 307	23 307	22 502	23 146	23 804
Other expenditure	19 760	23 089	26 989	27 632	30 174	30 174	30 054	29 580	29 740
Losses	24	28	15	–	–	–	–	–	–
Total Operating Expenditure	142 779	176 847	229 979	258 605	259 447	259 447	320 619	294 771	338 793
Surplus/(Deficit)	(142 662)	(176 683)	(229 945)	(258 599)	(259 441)	(259 441)	(320 612)	(294 764)	(338 786)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(142 662)	(176 683)	(229 945)	(258 599)	(259 441)	(259 441)	(320 612)	(294 764)	(338 786)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(142 662)	(176 683)	(229 945)	(258 599)	(259 441)	(259 441)	(320 612)	(294 764)	(338 786)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(142 662)	(176 683)	(229 945)	(258 599)	(259 441)	(259 441)	(320 612)	(294 764)	(338 786)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(142 662)	(176 683)	(229 945)	(258 599)	(259 441)	(259 441)	(320 612)	(294 764)	(338 786)
Capital Expenditure	2 288	2 500	1 329	2 130	1 585	1 532	1 103	705	705

2.12.8 Safety & Security (Vote 8)

The Safety & Security directorate is committed to ensuring a safe and secure environment for all its residents, by combating crime and disorder, reducing vehicle speed and accidents on our roads, improving response time to emergency fire calls, reducing disaster risks in all communities within the City and supporting community events in order to create opportunities for communities and build social cohesion.

The directorate consist of six functional departments as listed below.

- **Metropolitan Police Services**

The Metropolitan Police Services department was established in terms of the South African Police Service Act. Its mandate is the enforcement of traffic laws, enforcement of by-laws and crime prevention. Its current operations include clamping down on drug- and alcohol-related offences and addressing gang-related violence. To this end, the Gang and Drug Task Force was established, resulting in significant operational successes. Other major initiatives include the expansion of the department's Neighbourhood Safety Teams in order to bring policing closer to the people of the City as well as Youth Cadet Camps. Major projects include the increase in CCTV installations areas within the City based on the Mayor's Visible Service Acceleration (MVSA) Plan, CCTV installations in various wards across the City, procurement of related equipment and the Property Improvement Training College.

- **Law Enforcement, Traffic and Coordination department**

The department comprises the following units:

- **Law Enforcement Services**

The department is responsible for the enforcement of by-laws and regulations in terms of the Criminal Procedures Act. This includes general by-law enforcement in residential areas and resorts as well as specialised enforcement through various units. These units are responsible in dealing with copper theft, informal trading, displaced people, land invasion, liquor control, problem buildings and security at Council rental housing stock. This includes inspection at scrap metal dealers and of liquor premises for compliance. The department plays a major role in beach management over festive seasons as well as other public events and actively supports other directorates in land invasion actions. Major projects include Law Enforcement Advancement Plan (LEAP), the construction of Law Enforcement Base and procuring of vehicles.

- **Traffic Services**

The department was established in terms of the National Road Traffic Act. It consists of two sections; Operations- and Licensing Sections. The Operations Section deals with specialised and general activities and the enforcement on roads, which includes speed checks conducted as well as drivers screened for driving under the influence. The Licensing Section deals with learner- and driver licence testing, card conversions and renewals, as well as managing the traffic court division and the public/private partnership agreement on traffic cameras.

- **Special Investigation Unit**

The function of this unit is to provide investigation support to the directorate and the City in areas such as fraud and corruption, misconduct by City employees, malicious damage to Council property, hijacking and theft of council vehicles, protest action, land invasion, service delivery strikes, gang-related violence and anti-social behaviour within communities.

- **VIP Unit**

The function of this unit is to ensure effective support and protection to all political office bearers including the Executive Mayor, Executive Deputy Mayor, Chief Whip, Speaker and all councillors.

- **107 Public Communication Emergency Call Centre department**

The City has a single emergency number (107) to a call-taking and dispatching centre, which directs all calls to appropriate institutions and agencies. The centre is manned by well-trained quality-controlled operators. Key focus programmes include education and public awareness campaigns at schools, old-age homes, frail-care facilities and shopping centres.

- **Fire and Rescue Services department**

The Fire and Rescue Services department was established in terms of the Fire Brigade Services Act. The department has 32 fire stations operating on a 24-hour basis. Its core functions include responding to fires and emergencies as well as medical emergencies. The major programmes include educational programmes, raising awareness around fires, life safety on building, structures and events. These include the number of fire safety inspections conducted and the number of fire related deaths.

- **Disaster Risk Management Centre department**

The core function of this department is to prevent and mitigate the effect of disasters. To this end, the department aims to identify, prevent and reduce the occurrence of disasters. The department has a well-established volunteer corps, who plays a key role in event safety, coordination of corporate safety initiatives, festive season planning, winter preparedness planning, unrest, and service delivery protest.

- **Events department**

The function of this department includes the support of community events in order to create economic opportunities and to build social cohesion. The department seeks to establish Cape Town through improved strategic management, logistical co-ordination and support as the top events destination locally and regionally, and a premier events destination globally.

- **Emergency, Policing Incident Command (EPIC) department**

The function of this department represents the technology solution that is utilised by the directorate to manage the entire lifecycle of all policing and emergency incidents. Major projects include the Contravention System, EPIC Programme Replacement Devices, Citizen Enablement System, NW Community Safety System and the Computer Aided Dispatch System.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: The Opportunity City	1.1 - Positioning Cape Town as a forward-looking, globally-competitive business city	1.1.b Cape Town business brand programme
SFA 2: The Safe City	2.1 Safe Communities	2.1.a Safety technology programme 2.1.b Holistic crime prevention programme 2.1.c Policing service programme 2.1.d Neighbourhood safety programme 2.1.e Safety volunteer programme 2.1.f Disaster risk assessment programme

Changes to service levels and standards over the MTREF

Although the 2020/21 financial year saw a decrease in the fines revenue budget due to the reduction of fines by the courts and an undeniable trend in non-payment of traffic fines within the COVID-19 environment, the 2021/22 MTREF presents an increase in the fine income budget, which can be attributed to an upward trajectory of traffic fines issued due to staff members working overtime and the eradication of backlogs caused by the implementation of the contravention system.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Although various interventions have been implemented, there is a general culture of non-payment of traffic fines in the City, which will affect the directorate's revenue projections.

Major features of expenditure including discretionary- and non-discretionary expenditure

The directorate's major expenditure categories include:

- Salaries and Wages;
- Telecommunications Costs;
- Software Licensing;
- Professional Services;
- Fuel;
- Security Services;

- Commission- Revenue;
- Event Promoters; and
- Sponsorships.

Past year's performance – 2019/20

The directorate continues to implement various safety and security programmes through technology to ensure all communities are safe and protected.

The City's CCTV network is now the largest public-area surveillance agency in Africa, and the only in Southern Africa that covers residential areas, informal settlements as well as city centres. The City continues to expand this network with City- and development grant funding. CCTV network expansion takes place according to a pre-approved master plan. During the previous financial year, CCTV cameras were installed in various areas. Expansion efforts mainly focused on Ocean View, Tafelsig, Parkwood, Mountview, Fairways, Muizenberg, Wetton, Tokai and Wembley Park. The City's CCTV footprint now stands at 819 cameras.

Gunshot detection technology continues to support the fight against gun violence and gangsterism. The ShotSpotter technology provides real-time gunshot detection, also specifying the exact location where the shot was fired. This is then conveyed to law enforcement agencies and emergency services for an immediate response. The technology also reveals details such as the number of shooters and the number of shots fired, which can be used as evidence when prosecuting offenders.

The PECC is home to 68 highly trained emergency communicators working in shifts and fielded 492 524 calls in the past financial year. Most callers sought medical assistance, with requests for assistance for law enforcement matters coming in at second place. Call-takers are also able to re-route calls to external agencies, such as the Metro Emergency Medical Services and SAPS.

A total of 89 930 drivers were screened for driving under the influence and 5 423 manual speed checks were conducted. There were 3 848 fire inspections conducted in the past financial year.

Significant capital projects for the 2021/22 MTREF

- The Law Enforcement Advancement Plan (LEAP);
- EPIC Programme;
- Upgrading and improving Safety and Security Facilities;
- Installation and upgrading of CCTV cameras in various areas within the City, including the Mayor's Visible Service Acceleration (MVSA) Project and wards;
- Events Support Online Application System and Online Event Calendar systems;
- Dashboard Cameras;
- Drones;
- Property Improvement Training College;
- Construction of Law Enforcement Base; and
- Langa Fire Station.

Table 68 - Safety & Security (Vote 8) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Safety & Security									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	5	8	1	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	720	703	676	275	275	275	283	296	310
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	2 387	2 618	3 507	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 372 551	1 281 535	1 227 467	1 055 541	1 055 541	1 055 541	1 238 981	1 240 774	1 242 609
Licences and permits	34 444	33 613	24 360	50 934	50 934	50 934	52 513	54 929	57 400
Agency services	14 482	13 434	10 213	13 417	13 417	13 417	14 491	15 650	16 902
Transfers and subsidies	50 704	37 547	158 231	445 757	558 090	558 090	370 750	418 688	18 338
Other revenue	28 902	23 359	19 881	25 228	25 228	25 228	26 010	27 206	28 430
Gains	140	144	24	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	1 504 336	1 392 960	1 444 361	1 591 151	1 703 485	1 703 485	1 703 028	1 757 544	1 363 990
Expenditure By Type									
Employee related costs	1 797 733	1 895 373	2 289 292	2 760 103	2 570 627	2 570 627	2 948 176	3 039 126	2 819 299
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	728 739	996 175	869 980	879 084	879 084	879 084	960 000	960 000	960 000
Depreciation & asset impairment	69 757	81 282	85 752	132 370	119 262	119 262	145 670	149 176	149 039
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	79 349	87 360	97 273	122 752	136 546	136 546	120 386	121 106	104 744
Contracted services	84 914	93 950	111 348	119 681	130 468	130 468	123 734	124 527	124 290
Transfers and subsidies	32 759	32 735	25 248	49 670	54 281	54 281	63 138	63 138	63 138
Other expenditure	150 246	161 926	207 159	229 448	286 707	286 707	249 861	252 925	224 928
Losses	286	582	2 929	65	78	78	81	84	88
Total Operating Expenditure	2 943 783	3 349 382	3 688 980	4 293 174	4 177 054	4 177 054	4 611 046	4 710 084	4 445 525
Surplus/(Deficit)	(1 439 448)	(1 956 422)	(2 244 619)	(2 702 022)	(2 473 569)	(2 473 569)	(2 908 018)	(2 952 540)	(3 081 535)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	25 657	38 489	23 161	24 896	7 330	7 330	14 000	40 668	77 570
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	146	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	1 797	157	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(1 411 847)	(1 917 776)	(2 221 458)	(2 677 126)	(2 466 239)	(2 466 239)	(2 894 018)	(2 911 872)	(3 003 965)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(1 411 847)	(1 917 776)	(2 221 458)	(2 677 126)	(2 466 239)	(2 466 239)	(2 894 018)	(2 911 872)	(3 003 965)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(1 411 847)	(1 917 776)	(2 221 458)	(2 677 126)	(2 466 239)	(2 466 239)	(2 894 018)	(2 911 872)	(3 003 965)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(1 411 847)	(1 917 776)	(2 221 458)	(2 677 126)	(2 466 239)	(2 466 239)	(2 894 018)	(2 911 872)	(3 003 965)
Capital Expenditure	158 094	206 866	429 428	438 954	385 688	385 476	258 298	187 842	218 646

2.12.9 Spatial Planning & Environment (Vote 9)

The purpose of the Spatial Planning & Environment directorate is to ensure that the City meets the objectives set out in the IDP, Metropolitan Spatial Development Framework (MSDF), the City Strategies (EGS and SDS) and the Transport Orientated Development (TOD) strategic framework. The directorate is one of the implementing agents of the Environmental Strategy, and the Municipal Planning By-Law and as such ensures coordination of same across all City directorates. The directorate's focus is also guided by the City's Strategic Management Framework (SMF), which is a mechanism for the City to facilitate the coordination of multiple processes involved in the annual strategic planning and budgeting process. As part of the SMF, the directorate contributed to relevant strategic and performance priorities identified in the SMF Directorate Strategy Brief 2021/2022: Spatial Planning and Environment.

The directorate operates within various institutional frameworks and the core functions of the directorate are regulated and controlled (but not limited) by extensive statutes, strategies and legislation.

Service delivery is achieved through five line departments, namely:

- **Urban Planning and Design**

Spatial planning is essentially a forward-looking planning process that seeks to organise how the economy, society, and the built environment operates in space, whilst also seeking to ensure the protection, restoration and management of the natural environment, based on accepted town planning principles, values and approaches.

The main focus of the department for the 2021/22 financial year is the finalisation of eight district plans. The current district plans are outdated and needs to be updated, in order to:

- Align it with updated legislation and spatial policies e.g. IDP, SPLUMA/ LUPA, MPBL, NDP, IUDF, MSDF, IPTN, water strategy, etc.;
- Introduce new information, especially from a local level (population growth, development trends);
- Refine the MSDF and to feed required technical changes to facilitate an updated MSDF;
- Interpret at district level, the reviewed MSDF vision, objectives, policy guidelines;
- Confirm cadastral extent and delineation of spatial transformation areas: Urban Inner Core and Incremental Growth and Consolidation Areas;
- Confirm designation (location) and extent of district and local nodes, e.g. civic, transport, economic development, and environmental;
- Move the district plans to greater levels of detail, where required, e.g. critical nodes, nodal hierarchy, land use model;
- Change the focus from just spatial policy to include a strong implementation agenda; and
- Repeal outdated and conflicting policies and introduce mechanisms to boost implementation.

Detailed precinct planning and capital project implementation will deliver projects at an integrated district and precinct level requiring the department to work closely with various directorates that have a spatial focus (i.e. Mayoral Urban Regeneration Programme).

- **Development Management department**

The primary purpose of the department is to create an effective and efficient planning and building development environment in Cape Town, South Africa and in Africa, which promotes and facilitates sustainable development through equitable and effective service delivery. This will be done through transversal delivery of services in its operations, the integrated nature of its e-Systems based on the principles of the Property Value Chain (PVC) with linkages to departments within the City.

The continued implementation of the Municipal Planning By-law for the City is well in place and the annual review with amendments has been done for the year. The operations of the Municipal Planning Tribunal (MTP) has improved the procedural and decision-making.

Furthermore, the entire planning regulatory reform has demonstrated that it was an ideal opportunity to reverse the inefficiencies reducing much of the previous existing red tape. Continued implementation of Development Application Management System (DAMS), with its reporting opportunity to monitor the submission of development applications across the city.

The E-Systems enhancements have allowed for the expansion of services, including electronic payments and online registry.

- **Environmental Management department**

The department's core functions and objectives are guided by the City's Environmental Strategy, adopted by Council in 2017. The vision of the Environmental Strategy is *"To ensure that Cape Town's natural and cultural heritage assets are optimised to provide a basis for sustainable economic growth and social development, while ensuring long term protection and management of these assets and their associated goods and services for future generations."*

The Environmental Strategy contributes significantly towards the environmental component of sustainability by providing decision makers with an effective policy and governance framework for decision-making, management, and operational implementation.

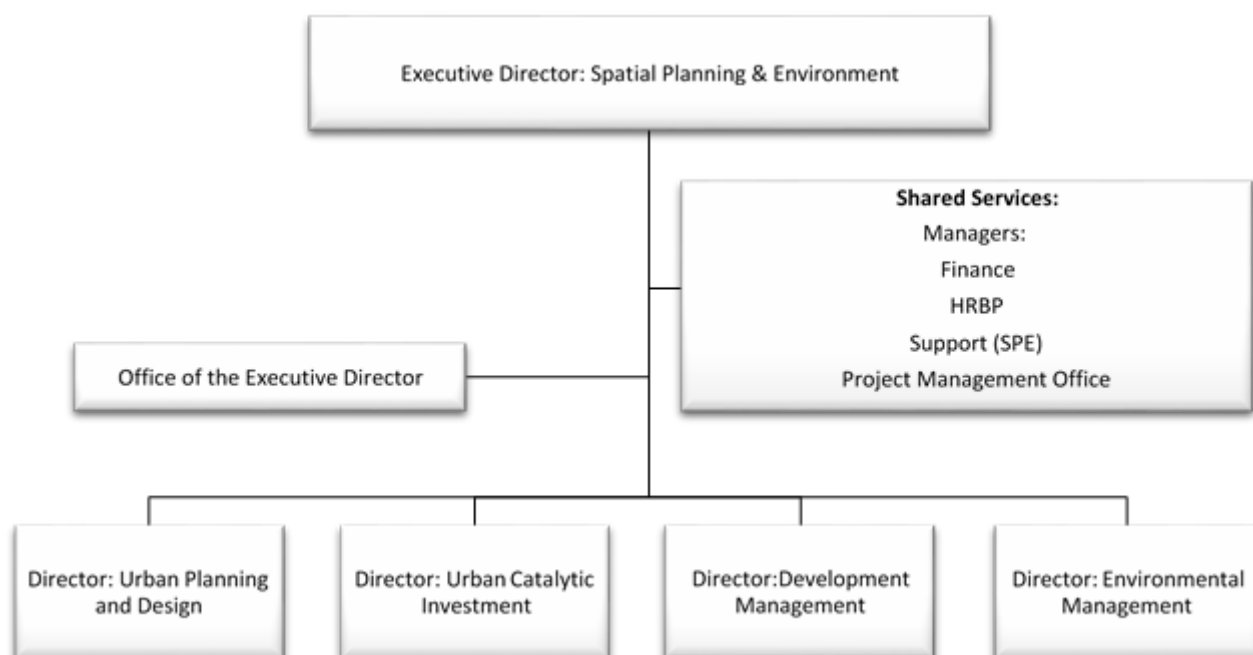
The key focus is sustainable and resource efficient development of coastal, biodiversity and heritage assets, alongside the regulation of outdoor signage and environmental compliance, which contributes to an Opportunity City that is globally competitive, attractive to tourism and investment, and adaptive to climate change; ensuring services are delivered in a sustainable manner using best practice environmental technology contributing to a well-run city; and environmental compliance which contributes to the creation of a city that is both safe and well run for the benefit of residents and visitors.

- **Urban Catalytic Investment (UCI) department**

UCI's primary aim is to enable an innovative and investment-friendly environment in spatially targeted 'Transit-Accessible Precincts' that promotes the City's vision for inclusive economic growth and development, jobs and the promotion of spatial transformation through transit-orientated development (TOD) to enhance the livelihoods, quality of life and opportunities for all communities.

Key focus and functions comprises a diverse set of planning and enablement combining precinct planning, the packaging and project management of complex catalytic sites; innovative finance and funding mechanisms; and spatial incentives; to conceptualise TOD through a portfolio of spatially targeted sites, hereafter the 'Catalytic Land Development Programme' (CLDP). Develop spatial targeting framework for applying mechanisms at the local scale; CLDP to focus on the implementation of two priority precincts as from 2021, namely Bellville and Philippi, as well as the project preparation for the Foreshore; A portfolio of smaller, so-called 'Level-2' TOD catalytic precinct projects comprising the 'Station Typologies Initiative' sites ; The development of the business case, including Options Analysis, and management model for the City's residual land holdings at Paardevlei.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programmes
SFA 1: Opportunity City	1.1 Positioning Cape Town as a forward looking competitive City	1.1.a. Ease of business programme 1.1.c Infrastructure Investment Programme 1.1.e Economic Development & Growth Programme
	1.2 Leveraging Technology	1.2.a Digital City programme
	1.3 Economic inclusion	1.3.b. EPWP Job Creation Programme
	1.4 Resource Efficiency and Security	1.4.b. Climate Change Programme 1.4.c. City Resilience Programme
SFA 2: Safe City	2.1 Safe Communities	2.1.b. Holistic Crime Prevention Programme 2.1.d Neighbourhood Safety Programme
SFA 3: Caring City	3.1 Excellence in basic services	3.1.a Excellence in Service Delivery 3.1.b Social Services facility provision
	3.2 Mainstreaming basic Service Delivery to informal settlements and backyard dwelling	3.2.a Housing Programme 3.2.b Human Settlements Programme
SFA 4: Inclusive City	4.1 - Dense and Transit-Oriented Growth and Development.	4.1.b TOD Catalytic Projects Programme
	4.2 An efficient, integrated transport system	4.2.an Integrated Public Transport Network 2032 Programme
	4.3 Building Integrated Communities	4.3.a. Citizen Value Programme
SFA 5: Well- Run City	5.1: Operational Sustainability	5.1.an Efficient, responsible and sustainable city services programme (Financial and operational sustainability) 5.1.b Value awareness programme (Annual Community Satisfaction Survey) 5.1.c Compliant Service Delivery Programme 5.1.d Evidence-led decision making programme 5.1.f Service Delivery Improvement Programme

Changes to service levels and standards over the MTREF

The current service standard relates to the municipality having a consolidated spatial view of its key business districts and the interventions required to unlock or promote economic growth in these areas.

The City monitors information from the valuation data as well as surveys and other studies to determine economic activity. The nodes are contained in the MSDF for the City, approved in 2018. In addition, further work is in progress to assess the data and make various assumptions about more localised economic activity to inform the Land Use Model. The Land Use Model has been used to inform the sector plans concluded in the 2021 Financial year. These detail the infrastructure requirements for utilities. This data has further informed the new District Spatial Development Frameworks (DSDFs), which are expected to go out for public participation in March 2021. The DSDF plays a critical role in providing a holistic view and integration between sectors as well as utilising place-based decision making approaches which are a critical component to economic stimulus. Several existing mechanisms are being proposed by the new DSDF as outlined below:

- NDA (New Development Areas) – land with opportunity for new residential and non-residential (mainly economic) development; and

- DFA (Development Focus Areas) – spatially targeted areas with significant development and redevelopment potential that require prioritised for public investment. These have been identified using the following criteria:
 - Targeted areas for urban restructuring that have the highest potential spatial transformative impact (i.e. addressing issues of spatial fragmentation, economic opportunity, inefficient urban form and segregation by integrating communities and increasing opportunities to a greater number of people in highly connected areas)
 - Areas linked to projects with a multi-sectoral focus where there is funding available (be it operational and/or capital), or funding to be applied for, for planning that will give rise to implementation (i.e. LASDFs, Precinct Plans etc.). (Planning work should at least commence within the lifespan of the DSDF)
 - Priority Areas of Opportunity as identified in CLDP and Integration Zones that would serve as catalysts to unlock the potential for integrated development with cross-cutting benefits e.g. Bellville PTI, Philippi East.
 - Areas with highest levels of accessibility (i.e. within nodes and along development corridors.)
 - Potential to attract private sector investment
 - Business precincts with high locational potential that require infrastructure or public investment to catalyse said potential (Mainly Transition and Opportunity Areas from ECAMP).

Past year's performance – 2019/20

The COVID-19 lockdown caused significant delays in many projects, which had to be re-phased to the 2020/21 financial year. The following capital projects were worked on/completed in the 2019/20 financial year:

- Upgrade to ArcGIS 10.7 – Phase 1 completed and the E-Systems enhancements on-going;
- Land Acquisition – Atlantis as part of the Atlantis Conservation LandBank;
- Local Environment & Heritage projects – City Hall refurbishment;
- Asanda Village Wetland Rehabilitation - Stage 3: Design Development and Stage 4: Documentation and Procurement are on-going
- Kruskal Avenue Upgrade - Phase 1 of construction completed;
- Reserve Upgrade: Fencing at Morkel's Cottage;
- Helderberg Nature Reserve Development – all contractual approvals have been met and site handed over on 8 June 2020;
- Nelson Mandela Memorial Exhibition nearing completion; and
- Bonteheuwel/Bishop Lavis – Completion of the Bonteheuwel hard surfacing and upgrading of the sidewalk at the corner of Kiaat and Bluegum Streets.

The major operating projects that benefitted from spend on the operating expenditure budget were:

- Kadar Asmal – Alien clearing projects linked to EPWP;
- Baboon Management;
- Shark Spotting;
- Tygerberg Partnership;
- Elsies River Public Investment Framework;
- Catalytic projects such as the Bellville and Philippi Opportunity Areas
- Dune rehabilitation programmes; and
- 98% spend on Ward Allocations which included alien- and canal clearing and cannon restoration.

The directorate achieved an overall collection rate of 93.6% on its primary revenue budget. The two main categories, which contributed to this collection rate are:

- Building Levies (collection rate increased to 91.8%) after budget reduction; and
- Building Fines, also known as administrative penalties for non-adherence to building regulations (collection rate was 103%).

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Building Development- and Land Use Management's revenue is largely dependent on demand within the building construction industry. Additional revenue above inflation is not expected in the near future given the current economic climate and the COVID-19 pandemic.

Demand for building-related activity is dependent on the construction industry. The objective of most of the tariffs is not to recover the full service cost but to discourage frivolous applications and speculation and, above all, to minimise increases and to remain as affordable as possible.

Revenue collection at nature reserves has shown an upward trend for the past three financial years. An increase in revenue collection is anticipated for the 2021/22 financial year, however revenue collection is always subject to the prevailing economic climate and also taking into account future lockdowns as a result of COVID-19.

Environmental and Heritage Management revenue collection for the past three financial years has been stable with no significant increases. The budget has been adjusted downward based on the trends over the past three financial years. No significant changes to revenue are expected.

Major features of expenditure including discretionary and non-discretionary expenditure

- Baboon Management and shark spotting on the Cape Peninsula;
- Control and/or extirpation of target and emerging invasive plant species and invasive animal species and removal of house crows, European paper wasps and German wasps;
- Provision of a service provider for visitor- and staff safety management within nature reserves and open spaces by providing rangers in the operational area of the City;
- Kadar Asmal – Alien clearing projects linked to EPWP;
- Greater Tygerberg Partnership (GPT) – facilitating partnerships and collaboration between the private sector, civil society, academic institutions and all spheres of government. GPT furthermore supports the City's efforts to revitalise Voortrekker Road Corridor and Bellville CBD and surrounds to ensure the social and economic well-being of the City's second metropolitan node for the benefit and enjoyment of all its citizens;
- Philippi Economic Development Initiative (PEDI) partnership – facilitate with the Philippi Fresh Produce Market Centre and Agri-hub;
- Cape Town Environmental Education Trust (CTEET) partnership;
- SANCCOB Non-Profit Organisation partnership;
- Administering the Municipal Planning Tribunal;
- Coastal Management, including Dune rehabilitation and coastal surveys;

- Philippi Agri-Hub – Enhancing and conversion of the existing Philippi Fresh Produce Market Centre into a significantly up-scaled Agri-hub with related small scale agri-business opportunities and offering associated training and business development services, that will create job opportunities, stimulate growth in the small scale commercial agriculture sector and drive economic development to the benefit of the broader Philippi community;
- Various planning projects which includes:
 - Catalytic Projects- Philippi & Bellville
 - Concept & Pre-Feasibility Investigations
 - Foreshore Housing Typology study
 - Foreshore Socio-economic Baseline Study
 - Gateway Precinct Planning Studies
 - Philippi Economic Survey
 - T13 Trunk Route
 - Road Schemes Review and Conceptual design
 - Level 2 Catalytic Precinct
 - District Planning and Urban Design
 - District Six Public Realm Strategy: Water Study and also prioritisation, design and implementation plan
 - Audit and Review of existing Urban Design Policy
 - Spatial Targeting and Mechanisms Specialist Studies
 - Phase 2A Overlay Zone
 - De Grendel Station Precinct: Site specific investigations and initial scoping on development options

Directorate capital programme

Significant capital projects to be undertaken over the medium term include, amongst others:

- Coastal Infrastructure: Rehabilitation and upgrade of dilapidated coastal infrastructure facilities in order to ensure public safety/reduce liability to the City, reduce social ills, improve social and economic impact of the City's coast line, and to prevent loss of resilience and promote the City's coastline as a world class destination. Projects include: Fisherman's lane/Strandfontein Boardwalk; Seaforth, Monwabisi Beach and Glencairn Precinct Upgrades; Muizenberg-, Table View- and Milnerton beachfronts upgrades; Upgrading Sea Point Promenade Phase 2; Strand sea wall and Glencairn Rail Revetment.
- Acquisition of Land Programme: Atlantis and other Development Offsets: Consolidation of the Atlantis Conservation Land Bank - Facilitate holistic management of the area, unlock recreational opportunities and potentially use acquired land for development facilitation (offsetting).
- Local Area Priority Initiatives [LAPIs] projects include: Bonteheuwel/Bishop Lavis LAPI; Parow Arcade; Salt River Station upgrade, District 6 Realm Upgrade and Kruskal Avenue Upgrade phase 2: The Kruskal Avenue Spine is situated within the Bellville CBD business hub and provides a major pedestrian route from Bellville Station to Tygervalley Centre District. This spine has been identified as an area suffering from degeneration, crime and grime. The upgrading of this Kruskal Avenue Spine presents the opportunity to act as a catalyst in the regeneration of the surrounding area.
- Nature Reserve Visitor Education Centres: Bracken, Harmony Flats and Zandvlei - These projects entail construction of larger facilities in order to engage a wider community, achieve agreed upon targets and to increase environmental awareness.

- Reserve Upgrade: this programme includes the final construction phase of the Helderberg Nature Reserve Development; Fencing at various reserves to ensure that biodiversity is protected for future generations.
- Local Environment and Heritage Projects: Asanda Village Wetland Rehabilitation, which entails the reshaping, redesign and upgrade of public open space as development in the catchment area is flooding the downstream community of Asanda Village and other smaller heritage related projects.

Table 69 - Spatial Planning & Environment (Vote 9) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Spatial Planning & Environment									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	51	524	205	155	82	82	84	88	92
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	300	419	165	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	4 105	4 214	4 536	4 595	4 595	4 595	4 738	4 955	5 178
Licences and permits	10	245	8	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	13 476	17 271	16 655	62 287	92 035	92 035	91 264	48 463	38 935
Other revenue	129 913	123 157	104 439	119 934	110 244	110 244	113 662	118 890	124 240
Gains	38	29	2	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	147 892	145 860	126 010	186 971	206 956	206 956	209 748	172 397	168 446
Expenditure By Type									
Employee related costs	420 063	437 562	495 782	580 292	558 297	558 297	612 810	624 982	653 149
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	–	21	23	–	–	–	–	–	–
Depreciation & asset impairment	25 957	27 120	28 482	32 139	31 846	31 846	35 854	37 948	44 004
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	8 805	7 891	6 816	11 374	9 052	9 052	8 419	8 287	8 336
Contracted services	67 728	77 145	96 291	114 757	175 691	175 691	157 507	130 803	132 390
Transfers and subsidies	8 286	8 605	9 372	28 517	27 665	27 665	24 921	18 188	8 570
Other expenditure	9 912	13 931	27 389	22 149	30 216	30 216	22 449	21 019	21 337
Losses	142	79	255	–	–	–	–	–	–
Total Operating Expenditure	540 893	572 355	664 410	789 228	832 766	832 766	861 959	841 227	867 785
Surplus/(Deficit)	(393 001)	(426 495)	(538 400)	(602 257)	(625 810)	(625 810)	(652 212)	(668 830)	(699 339)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	880	7 034	10 020	550	10 200	10 200	25 800	42 700	67 500
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	–	10	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(392 121)	(419 462)	(528 369)	(601 707)	(615 610)	(615 610)	(626 412)	(626 130)	(631 839)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(392 121)	(419 462)	(528 369)	(601 707)	(615 610)	(615 610)	(626 412)	(626 130)	(631 839)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(392 121)	(419 462)	(528 369)	(601 707)	(615 610)	(615 610)	(626 412)	(626 130)	(631 839)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(392 121)	(419 462)	(528 369)	(601 707)	(615 610)	(615 610)	(626 412)	(626 130)	(631 839)
Capital Expenditure	42 434	57 070	54 776	157 205	133 448	124 297	141 722	221 453	263 653

2.12.10 Transport (Vote 10)

The City's Transport directorate is the driving force for achieving a more equal society based on an efficient mobility network for public and private transport, pedestrians and cyclists and with public transport services that enable greater access to opportunities. This contributes to a growing, thriving local economy that benefits everyone. Transport has a key role to play in the city's economic recovery post COVID-19 and in making Cape Town a viable and competitive global investment destination,

As a global C40 city, Cape Town is committed to taking bold climate action for a healthier and more sustainable future. Transport has a leading role to play in reducing greenhouse gas emissions.

The Comprehensive Integrated Transport Plan (CITP) for 2018-2023, sets out how the directorate will build on the progress it has made in delivering integrated, intermodal and interoperable transport in Cape Town.

The City's delivery of integrated transport is based on the IPTN Network Plan 2032 encompassing the integration of transport and land use through transit-oriented development.

Intermodal transport requires that all functions and modes are under the jurisdiction of a single authority. To this end, the City continues to pursue the Contracting Authority and the Municipal Regulatory Entity (MRE) assignment. Although rail is considered the "backbone" of Cape Town's transport system, it is currently in crisis which requires to develop a response and approach to this crisis with its impact on the city-wide intermodal transport system.

An interoperable transport system is one in which its component parts work easily with one another without special effort on the part of the commuter.

Cape Town's transport sector faces complex challenges. Pressure on the road network is exacerbated by the failure of rail which has contributed to congestion and eroded the resilience of the local transport system. This encompasses shared responsibilities between national, provincial and local government and calls for enhanced cooperative governance.

Measuring Transport's progress with respect to the IDP's transformational priorities underpins the Urban Development Index which completed in 2019/20. This measures the impact of the City's TOD strategy and the interrelated changes in land use in transport. It provides a benchmark to analyse progress into the future.

The directorate's Congestion Management Programme continues to improve infrastructure and traffic systems, while the implementation of the Travel Demand Management Strategy is nudging commuters towards more sustainable travel behaviours.

MyCiTi, Cape Town's bus rapid transit system, marks its first ten years in operation. This provides an opportunity for a programmatic review as the service charts a path for the next decade based on a frank evaluation of lessons learnt.

As the directorate confronts challenges and embraces new opportunities, organisational change is required. This includes an appropriate institutional vehicle for MyCiTi, a complex programme that currently cuts across departments within the directorate.

Background, purpose and service mandate of the directorate

Cape Town, due to a number of historic factors, is an inefficient city the result of which is an exacerbated transport cost to access for residents, commuters, freight, and tourists.

Public transport is overcrowded and the facilities are in many cases inferior and substandard. The scale of the problem is enormous and the financial burden on the City reaches billions of rand each year.

The National Land Transport Act, 2009 (NLTA) gave metropolitan municipalities the power to integrate public transport services that are subject to contracts as well as appropriate uncontracted services into the larger public transport system in terms of an integrated transport plan.

The Integrated Public Transport Plan (IPTN) determines the role that appropriate transport modes play to provide users of the system with optimal solutions that will enable them to travel from origin to destination in a seamless and cost-effective manner. It also provides strategic direction.

The directorate is responsible for ensuring that the medium to long term plan and related policies, sector plans and strategies are rolled out inclusive of planning, operations, management and maintenance across the full spectrum of the integrated transport lifecycle and infrastructure.

The directorate also provides for parking, network, freeway management, destination boards, traffic calming, enforcement intelligence the Transport Enforcement Branch within the Safety & Security directorate.

This directorate is furthermore responsible for the Operating License Strategy, implementation and management of mini bus and metered taxis including the registration of all taxi associations operating in the City. Industry transition as it relates to the implementation of the IRT and any industry negotiations are pivotal functions.

The directorate comprises a management structure with seven performance-orientated departments with a focus on integrated service delivery. These departments are:

- **Transport Planning department**
This department focuses on the contractual and operational management of MyCiTi contracts and the management of public transport facilities.
- **Infrastructure Implementation department**
This department is responsible for all construction and capital investment related to public transport, non-motorised transport (NMT), roads and related local stormwater and facilities.
- **Roads Infrastructure Management department**
This department is responsible for the overall management and maintenance of all road and stormwater assets falling under the Transport directorate. It also manages the districts and depots under four area managers and includes the registration and management of all plant for the rollout and maintenance of infrastructure. It also includes a focus on the informal track and stormwater network.

- **Network Management department**

This department deals with Transport functions in terms of road and rail network management. It also deals with traffic related systems, traffic management and public transport enforcement and is responsible for network and related modal integration.

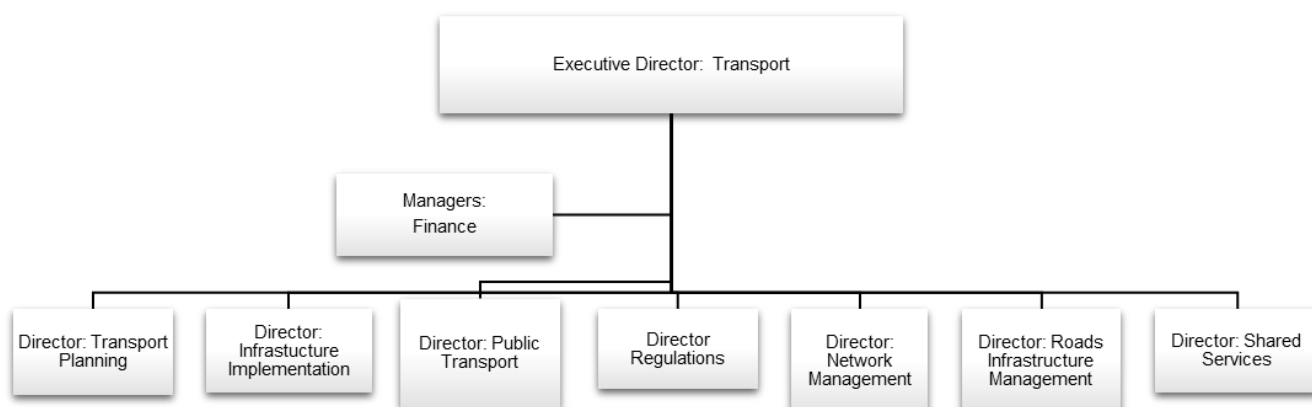
- **Public Transport Regulations department**

This department is responsible for all functions in terms of regulation and their efficient management. This includes industry management and transition as well as managing operating licences. The City has also requested the assignment of the Municipal Regulatory Entity function, as provided for in the National Land Transport Act (NLTA).

- **Shared Services department**

This department plays a key transversal role in equipping and enabling the Transport Directorate to achieve its objective of being an effective directorate that is well governed, fact based, performance- driven and customer-centric.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives/Programmes	IDP Programmes
SFA 1: Opportunity City	1.3 Economic Inclusion	1.3b EPWP
SFA 2: Safe City	2.1 Safe Communities	2.1b Holistic Crime Prevention Programme
SFA 4: Inclusive City	4.1 Dense and transit-oriented growth and development	Develop and implement urban rail strategy focussed on rail revitalisation, rail investment and rail management.
	4.2: An efficient, integrated transport system	4.2a Integrated Public Transport Network 2032 programme
		4.2b Travel demand management programme
		4.2c Non-Motorised Transport Programme
		4.2d Intelligent transport systems programme
		4.2f Efficient integrated public transport programme
		4.B Number of passenger journeys per kilometre operated
		4.C Total number of passenger journeys on MyCiTi
SFA 5: Well-Run City	4.3 Building integrated communities	Kilometres of stormwater drainage installed - National Treasury Kilometres of roads gravelled - National Treasury Kilometres of surfaced roads resealed - National Treasury Informal settlements upgrade - USDG Rand value of Informal settlements upgrade - USDG 4.3a Built environment integration programme/ National Treasury
		5.1 Operational sustainability 5.1a Efficient, responsible and sustainable City services programme

Changes to service levels and standards over the MTREF

There are no material changes in trends over the MTREF period for the directorate.

Past year's performance – 2019/20

- Transport Planning department**

Successful completion of the CITP, which is with the Minister of Transport for approval. Planning required for the further rollout of MyCiTi is underway.

- Infrastructure Implementation department**

- Notable progress observed in some areas whilst other areas were negatively affected by externalities, which undermined the attainment of some of the targets that were set. The department's performance includes tangible infrastructure outputs, technical design planning deliverables in some instances and operational sustainability outputs.
- In relation to infrastructure outputs, the key projects and programmes included the completion of the concrete road rehabilitation project at Gugulethu after a prolonged community engagement with a violent group residing in the community presenting conflicting community priority areas. Construction works at Dunoon and Makhaza commenced in the course of 2019/20. Progress was made on the depot enabling works project and Stock Road project, as part of the construction of road infrastructure to contributing towards the MyCiTi roll-out.
- Construction for road expansion and new projects were completed to address congestion including the upgrading of N7 in Sandown Road, the Kommetjie Road and Broadway Boulevard projects.

- Non-motorised transport opportunities created through the construction of non-motorised transport lanes and in some instances as part of larger road construction and dualling projects. Non-motorised transport was enhanced with the completion and opening of the Wooden Bridge precinct in Milnerton and through the Edgemoor/Bothasig and Eerste River projects.
 - Public Transport Interchanges upgraded at Cape Town Station deck, Bellville and Potsdam PTIs.
 - The department also introduced processes and institutionalised systems to improve alignment with corporate approaches to streamline service delivery and implementation. By the end of 2019/20 financial year, an overall screening of 95% of the capital budget was achieved with a significant improvement on the reporting of capital spend.
- **Public Transport Operations department**
 - Passenger journeys on MyCiTi increased on some routes, but the suspension of the N2 Express service resulted in a decline in passenger numbers.
 - Passenger journeys on Dial-a-Ride have increased.
 - Card vending machines were implemented as a pilot.
- **MyCiTi bus fleet**
 - Tender specifications were developed for the maintenance of the 9m Optare bus fleet, Volvo bus fleet, and the Scania bus fleet.
 - Cost models were developed for all bus types.
 - Tender specifications were developed to procure new buses.
- **Roads Infrastructure and Management department**
 - **Road Infrastructure and systems**
Roads and stormwater infrastructure management remains the core function of this branch. Development control and facilitation is a key function with respect to the provision of new infrastructure at a metro-wide and district level. Significant projects completed in the 2019/20 financial year are:
 - Sir Lowry's Pass Road upgrade;
 - Metro roads reseal and resurfacing programme;
 - Local roads reseal and resurfacing programme;
 - PMS, BMS and Load Management System updating and development; and
 - Numerous ward council projects including traffic calming and footways.
 - **Road Infrastructure Maintenance (RIM) fleet**
 - Replacement strategy to replace aging plant and vehicles was developed.
 - Pool of vehicles and plant for rubble removal and other related activities was created.
 - **Informal settlements**
 - Masiphumelele: Provision of drainage interventions to divert waste water to sewer.
 - Houmoed Road design and construction.
 - UT section: Waterbound Maccadam base.
 - Geza Village (Leonsdale): Pedestrian access ways and stormwater.
 - Imizamo Yethu: Stormwater silt trap, pedestrian access ways and barrier kerb.
 - Ekuphumeleni: Upgrading inlet structure at detention pond to facilitate sport facility.

- **Public Transport Regulations department**
 - SAP Platform for the administration of operating licenses.
 - Launch of trial for 7th Ave TOC Pilot.
 - Rail Enforcement Unit operational.
- **Network Management department**
 - **Events**
 - Assisted Cape Town Stadium with all major events and operation of the required Transport Management Plan and related tasks.
 - Accommodation of traffic over several week-ends closures of the N1 freeway, under construction, through alternate route traffic management, signalised intersection special adaptations, time-plan alterations and scheduling.
 - **Transport network development regions**
 - Conducted four speed limit reviews per region, two on higher order routes and two at schools/public facilities.
 - Undertook road safety assessments on a minimum of four arterials citywide.
 - Implemented safety improvements at four hazardous locations per region; 12 in total.
 - Implementation of traffic calming at 13 schools and addressed backlogs as available budget allowed.
 - **Traffic signals**
 - 23 count links added to the network.
 - All signal sites were moved to broadband communications.
 - **Transport network technology**
 - Communication on portions of the M3 (fibre and CCTV installation) rolled out.
 - A new truck lane enforcement system was installed on Ou Kaapse Weg.
 - CCTV services installed at various traffic signal intersections.
 - ATC system improved by installing a spare ATC server.
 - IPTV distribution system installed at the Transport Management Centre (TMC).
 - More than 1 400 traffic controllers linked by broadband (fibre, Wi-Fi, GPRS) to the TMC.
 - **Transport network information**
 - Production of a traffic data strategy.
- **Business Enablement department**
 - The inaugural Transport Staff Recognition and Rewards was held in December 2019. This provided a platform for the directorate to recognise service excellence of its employees, long service recognition and celebrate teamwork at all level, especially its depot level workers.
 - The department led the Transport and Logistics Cluster as part of a coordinated response to the COVID-19 pandemic. Works on excellence included a world-class Business Continuity Plan; Focussed Communication and Stakeholder Engagement interventions to raise awareness amongst commuters across all Public Transport Modes; petitioning the national government to focus on Travel Demand Management; Supporting the review of the Travel Demand Strategy for Cape Town; amongst others.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

There is a risk of the fare income being lower than projected if competing modes increase their market share (e.g. if minibus-taxi services expand or lower their fares), if the quality of the service declines, due to the impact of protected/unprotected strikes or due to fare losses as a result of interruption in electricity supply or difficulties in the fare system. It normally takes up to two months after a strike to get back to the planned monthly fare income.

It is projected that implementation of a new parking management tender will result in increased parking revenue. This increase in revenue does not require an increase in parking fees (other than inflation-related increases), but rather in the different model of managing parking management, and such income is dependent on a monitoring tender being awarded to ensure that the parking management company pays over the required income to the City. The implementation of this tender has been delayed by an appeal against the original award, and the tender may be further delayed by further litigation regarding this matter.

Major features of expenditure including highlighting discretionary and non-discretionary expenditure:

- Provision for the contracted road based MyCiTi transport;
- Roads and Stormwater;
- Public Transport Interchanges maintenance;
- Public Transport Planning; and
- Roads Infrastructure Conditional Assessment.

Major Capital Programmes:

- Congestion Relief;
- Public Transport Interchanges;
- Non-Motorised transport;
- Roads Rehabilitation;
- Metro Roads: Reconstruction; and
- Phase 2A.

Table 70 - Transport (Vote 10) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Transport									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	0	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	288	20	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	372	91	56	–	–	–	–	–	–
Interest earned - external investments	34	277	0	–	–	–	–	–	–
Interest earned - outstanding debtors	14	23	287	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	2 899	3 953	36 226	31	31	31	31	33	34
Licences and permits	16 103	28 670	20 554	25 160	13 926	13 926	14 358	15 019	15 694
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	424 257	472 198	516 626	671 278	642 567	642 567	561 522	518 482	507 792
Other revenue	288 132	331 412	259 552	207 927	165 306	165 306	198 693	206 749	213 688
Gains	352	229	20	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	732 163	837 141	833 342	904 395	821 829	821 829	774 605	740 283	737 209
Expenditure By Type									
Employee related costs	658 476	708 227	711 081	843 576	773 853	773 853	843 169	868 704	928 358
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	33 519	781	–	–	–	–	–	–	–
Depreciation & asset impairment	725 108	725 243	666 671	728 912	679 934	679 934	693 496	664 872	679 839
Finance charges	10	1 893	–	–	70	70	73	76	79
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	56 410	108 403	75 027	117 739	95 780	95 780	97 932	94 918	98 218
Contracted services	1 549 302	1 705 124	1 729 184	1 858 769	1 881 745	1 881 745	1 969 673	1 807 330	1 873 776
Transfers and subsidies	11 154	158	–	125	125	125	125	125	125
Other expenditure	98 544	90 788	76 199	91 088	84 259	84 259	69 493	235 565	237 514
Losses	1 131	12 099	4 764	–	–	–	–	–	–
Total Operating Expenditure	3 133 654	3 352 716	3 262 925	3 640 210	3 515 767	3 515 767	3 673 959	3 671 590	3 817 908
Surplus/(Deficit)	(2 401 491)	(2 515 575)	(2 429 583)	(2 735 814)	(2 693 937)	(2 693 937)	(2 899 355)	(2 931 306)	(3 080 699)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	689 698	583 483	531 134	1 442 278	643 969	643 969	1 890 537	1 527 071	1 326 310
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	(812)	821	–	22 822	22 822	22 822	35 767	54 642	69 685
Transfers & subsidies capital in-kind	485	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(1 712 121)	(1 931 271)	(1 898 449)	(1 270 715)	(2 027 147)	(2 027 147)	(973 051)	(1 349 594)	(1 684 703)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(1 712 121)	(1 931 271)	(1 898 449)	(1 270 715)	(2 027 147)	(2 027 147)	(973 051)	(1 349 594)	(1 684 703)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(1 712 121)	(1 931 271)	(1 898 449)	(1 270 715)	(2 027 147)	(2 027 147)	(973 051)	(1 349 594)	(1 684 703)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(1 712 121)	(1 931 271)	(1 898 449)	(1 270 715)	(2 027 147)	(2 027 147)	(973 051)	(1 349 594)	(1 684 703)
Capital Expenditure	1 001 020	973 584	873 070	1 793 342	917 980	856 573	2 191 855	2 076 400	1 798 343

2.12.11 Urban Management (Vote 11)

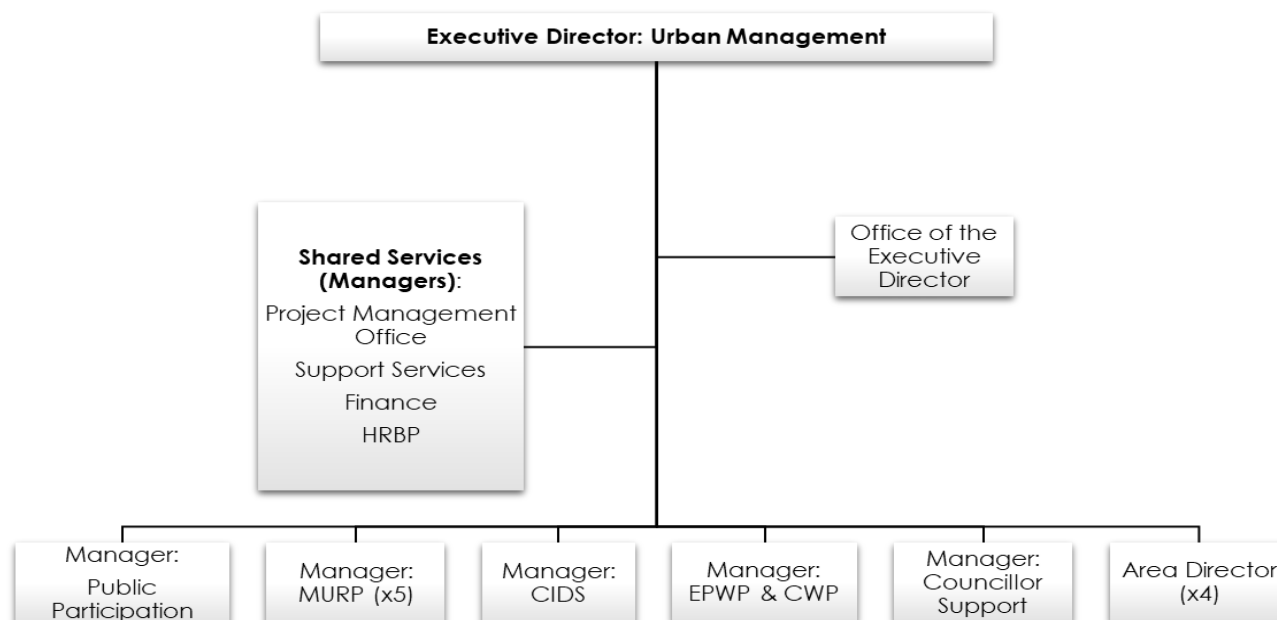
Chapter 7 of the Constitution of the Republic of South Africa sets out the service delivery mandate of Local Government. In particular, Section 152 (1)(b) puts an obligation on Local Government “to ensure the provision of services to communities in a sustainable manner.”

The Urban Management directorate seeks to provide a strategic menu of transversal management services in partnership with communities, line departments and other stakeholders to respond to complex urban challenges and enhance key precincts, with the intention of creating the conditions for healthy, safe and prosperous environments for all.

The directorate resolves to:

- Champion a local government culture that prioritises customer needs and advocates for integrated and responsive urban management services that positively impacts communities;
- Provide a closer link with communities via a one-stop-shop model – to be a City that listens to community needs and raises awareness of City services;
- Bring the needs of local residents into the centre of local government planning and delivery processes;
- Ensure that all public resources are used to their fullest extent in delivering services to those most in need of them;
- Create economic and social opportunities which are accessible to the most vulnerable persons within a community;
- Proactively employ integrated, collaborative and innovative solutions to effectively and efficiently address customer and community issues; and
- Work to combat service blockages and backlogs and provide a parity of services for all resident.

Management Structure



Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: Opportunity City	1.1 Positioning Cape Town as a forward looking globally competitive city	1.1.a Grow local investment offerings etc.; Informal trading 1.1.f Partnership development programme
	1.3 Economic inclusion	1.3.a Skills Investment programme 1.3.b EPWP
SFA 2: Safe City	2.1 Safe Communities	2.1.a Safety Technology programme.
SFA 3: Caring City	3.1 Excellence in basic services	3.1.a Excellence in service delivery
SFA 4: Inclusive City	4.3 Building integrated communities	4.3.b Citizen value programme
SFA 5: Well-Run City	5.1 Operational sustainability	5.1.f Service Delivery improvement programme

Past year's performance – 2019/20

Results of the directorate financial indicators in the 2019/20 financial year were as follows:

- Capital spend: 68.5% (target 90%)
- Operating spend: 93.33% (target 95%)
- Repairs and maintenance spend: 72.39% (target 95%)
- Training budget spend: 75.76% (target 95%)

The following achievements have been accomplished by the directorate:

- The Public Participation Unit facilitated Ward Councillor Outreach Programmes in all Wards i.e. 116.
- Various Skills Programmes were initiated via EPWP.
- Progressive increased of EPWP grant funding from R32.9 million in 2019/20 to R44.8 million in 2020/21, due to timeous reporting and improved performance in 2019/20.
- Successful implementation of Ward Allocation projects across 24 Sub-councils.
- 43 CIDs established which are community initiated, driven and funded.
- Mayoral Urban Regeneration Programme (MURP) facilitated Ocean View; Manenberg, Atlantis, Hanover Park, Gugulethu-Nyanga Community Action Plans and Public Investment Frameworks which resulted in significant capital and operational implementation.
- MURP facilitated and unlocked the Provincial Government Capital Investment Programme in the broader Manenberg and Hanover Park area which incorporates schools.
- 31 871 EPWP opportunities achieved.
- 100% of the Ward Committees were functional.
- New trading plans were completed.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

There are no material changes in revenue trends over the MTREF period for the Urban Management directorate.

Major features of expenditure including discretionary and non-discretionary expenditure

The directorate's major expenditure categories include:

- Salaries and Wages;

- CIDs – Payments made to City Improvement Districts which is directly linked to the amounts collected from them; and
- Contracted Services – mostly linked to MURP projects.

Directorate capital programme

This directorate is not capital intensive. The majority of the capital budget over the next MTREF relates mainly to mayoral urban regeneration projects linked to the Neighbourhood Development Partnership Grant and Area Economic development infrastructure projects.

The directorate's capital programme for 2021/22 is made up of the following major projects:

- Upgrading of Uitsig business hub
- Informal Trade & Associated infrastructure Site B
- Upgrade Khayelitsha Training Centre
- Mfuleni Hives Rehabilitation
- Philippi-East Multi-Purpose Centre
- Nyanga Urban Node Informal Trade
- Informal Trade & Associated Infrastructure Upgrade Site C

The directorate is envisioned to provide important input into the City's budgeting process and consequently the capital budget allocation, bringing insights on the urban design and operational opportunities and challenges faced by communities which require changes in resource allocation.

Table 71 - Urban Management (Vote 11) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Urban Management									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	198 921	216 629	239 394	258 637	270 239	270 239	293 926	307 447	321 282
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	0	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	795	1 696	1 059	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	5 025	458	1 227	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	402	701	476	1 034	2 618	2 618	1 001	1 001	1 001
Other revenue	4 009	4 057	3 279	4 362	4 362	4 362	4 497	4 704	4 915
Gains	73	8	2	–	–	–	–	–	–
Total Operating Revenue (excluding capital transfers and contributions)	209 225	223 549	245 437	264 033	277 220	277 220	299 424	313 152	327 199
Expenditure By Type									
Employee related costs	244 625	259 431	299 562	401 311	344 567	344 567	356 954	373 399	390 381
Remuneration of councillors	153 584	159 925	166 081	188 111	188 111	188 111	178 262	186 106	194 666
Debt impairment	5 968	6 499	7 182	7 759	8 107	8 107	8 818	9 223	9 638
Depreciation & asset impairment	12 371	13 981	13 147	19 271	18 412	18 412	21 722	21 304	24 228
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	9 463	9 596	10 316	12 274	14 435	14 435	15 327	15 098	15 120
Contracted services	51 428	42 413	193 966	194 669	235 913	235 913	156 628	157 315	158 837
Transfers and subsidies	6 811	10 268	11 419	8 088	30 563	30 563	16 110	16 144	16 178
Other expenditure	216 551	239 260	266 400	296 127	309 360	309 360	326 251	337 620	351 630
Losses	202	110	394	9	13	13	13	14	15
Total Operating Expenditure	701 002	741 483	968 467	1 127 619	1 149 482	1 149 482	1 080 086	1 116 224	1 160 693
Surplus/(Deficit)	(491 776)	(517 933)	(723 031)	(863 586)	(872 263)	(872 263)	(780 661)	(803 072)	(833 495)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 562	8 228	14 379	11 206	1 342	1 342	2 700	4 000	10 000
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(489 214)	(509 705)	(708 651)	(852 380)	(870 921)	(870 921)	(777 961)	(799 072)	(823 495)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(489 214)	(509 705)	(708 651)	(852 380)	(870 921)	(870 921)	(777 961)	(799 072)	(823 495)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(489 214)	(509 705)	(708 651)	(852 380)	(870 921)	(870 921)	(777 961)	(799 072)	(823 495)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(489 214)	(509 705)	(708 651)	(852 380)	(870 921)	(870 921)	(777 961)	(799 072)	(823 495)
Capital Expenditure	17 308	22 429	57 350	81 503	66 978	62 141	46 729	86 577	92 577

2.12.12 Water & Waste (Vote 12)

The functional areas within the Water & Waste Management directorate are:

- Solid Waste Management
- Water & Sanitation Services Management

2.12.12.1 Solid Waste Management

The City's Solid Waste Management department is the service authority and regulator of waste management activities in Cape Town per the system of delegations and the municipality's executive powers conferred on it in law. The City is responsible for services in the metropolitan municipal area (as a service authority or regulator).

The City's waste management services aim to integrate waste management services in such a way that they are able to not only provide basic services, but to augment economic activity and minimise the effects of waste on human- and environmental health. Much national support and development is necessary, as waste minimisation and recycling activities are not limited to Cape Town, and involve the processing and manufacturing sectors on a national scale. It will require a country-wide approach in terms of planning, infrastructure, facilities, incentives and disincentives to drive out economies of scale that will make this sustainable and economically viable. These are key influences on achieving the long term waste management vision and objectives set by the department.

The long-term vision for the Cape Town Waste Management sector is to:

- Improve access to basic services for residents to as close to 100% as possible within the constraints of available funds and unplanned growth;
- Develop multiple integrated initiatives that will reduce waste and the associated impacts substantially as well as contribute to and support economic development;
- Generate other sources of funding for integrated waste management through Public-Private Partnerships within the Cape Town municipal area;
- Improve the income generated by the Council's waste services;
- Optimise the utilisation of the Council's resources and capital; and
- Regulate waste and the associated services that will ensure sustainability and prevent impact or harm to people and the environment.

Performance objectives and indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: Opportunity City	1.1 Positioning Cape Town as forward looking globally competitive city 1.3: Economic inclusion 1.4 Resource efficiency and security	1.1.c Infrastructure investment programme 1.3.a Skills investment programme 1.3.b Mayor's Job Creation Programme 1.4.b Climate change programme
SFA 3: Caring City	3.1 Excellence in basic service delivery 3.2 Mainstreaming basic service delivery to informal settlements & back-yards	3.1.a Excellence in service delivery 3.2.a Basic service delivery programme

Changes to service levels and standards over the MTREF

There are no material changes in revenue trends for the directorate over the MTREF period.

Past year's performance – 2019/20

The department continued to implement the recommendations of the Municipal Systems Act section 78(3) study, which includes waste minimisation, waste to energy projects and the provision of infrastructure for waste minimisation. The department has also channelled more resources towards waste minimisation infrastructure and programmes. The City effectively introduced recycling at larger drop-off sites and are investigating the usage of drop-off facilities as mini material recovery facilities (MRF).

A total of 16.81% in waste minimisation was achieved, which is a substantial growth and on track to achieving the City's Integrated Waste Management Policy (IWMP) objectives. Home composting bins have been issued to more than 15 000 beneficiaries and the programme will continue for the next five years with an estimated 5 000 additional beneficiaries per year.

The provision of basic waste management services was maintained at 100%. However, there is a looming challenge on providing services for backyarders, which at this stage is done on an ad hoc basis. Informal settlements now receive a weekly door-to-door bagged waste collection service integrated with area cleaning provided by the City's private contractors. Area cleaning to all informal settlements have increased from five to seven days a week.

The department also ensured compliance with waste management statutes by reviewing its by-law and IWMP. The department continues to upgrade its facilities to ensure that all waste is effectively managed and accounted for. These upgrades include changes to increase recovery of recyclables and upgrading of weighbridges to improve measurement, efficiency and to improve service to the public.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Disposal revenue will be under pressure going forward with the introduction of waste minimisation initiatives that will reduce waste being taken to landfill sites. Alternative sustainable revenue streams are being investigated.

Major features of expenditure including discretionary and non-discretionary expenditure

The Department's major expenditure categories include:

- Salaries and Wages
- Contracted Services – mostly linked to:
 - Refuse removal services;
 - Area cleaning and door-to-door refuse removal services to informal settlements;
 - Cleaning of the previously disadvantaged sandy areas;
 - Hauling of waste from various facilities to the Landfill sites; and
 - Chipping of garden greens.
- Depreciation

- General Expenses – mostly linked to:
 - Fuel;
 - Rehabilitation of landfill sites;
 - Security services costs at various sites; and
 - Purchasing of bags.
- Repairs and maintenance on buildings and fleet.
- Activity based costing linked to fleet and equipment rental

Directorate capital programme

The department's capital programme for 2021/22 is made up of the following main projects:

- Vehicle and plant replacement programme;
- Upgrading of various depots;
- Upgrading of various drop-off sites to include components of waste minimisation;
- Construction of new material recovery facilities;
- Development of new landfill airspace; and
- The construction of landfill gas to flaring infrastructure for future possible electrification.

Table 72 - Solid Waste Management (Vote 12) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Water & Waste									
Department: Solid Waste Management									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	1 313 131	1 414 966	1 502 619	1 587 207	1 526 689	1 526 689	1 641 574	1 780 725	1 931 444
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	0	2	3	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	19 219	23 649	35 607	40 170	44 215	44 215	44 215	46 249	48 330
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 896	3 885	474	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other revenue	8 324	15 690	11 527	9 190	2 758	2 758	3 043	3 183	3 326
Gains	1 454	1 869	1 098	–	–	–	1 000	1 046	1 093
Total Operating Revenue (excluding capital transfers and contributions)	1 344 024	1 460 061	1 551 328	1 636 567	1 573 661	1 573 661	1 689 831	1 831 203	1 984 193
Expenditure By Type									
Employee related costs	839 437	932 723	1 005 848	1 136 229	1 115 738	1 115 738	1 175 295	1 221 478	1 271 839
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	66 621	82 612	215 325	344 653	210 653	210 653	224 998	238 640	255 544
Depreciation & asset impairment	141 436	150 846	155 518	166 493	158 172	158 172	169 035	169 002	193 799
Finance charges	40 824	33 686	45 044	53 615	53 615	53 615	53 616	59 612	39 816
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	211 873	205 783	214 092	232 938	238 980	238 980	219 846	221 105	222 392
Contracted services	817 566	921 269	984 390	984 944	1 034 444	1 034 444	1 125 971	1 161 250	1 201 924
Transfers and subsidies	–	–	–	1 861	1 861	1 861	1 861	1 861	1 861
Other expenditure	48 053	35 051	50 179	120 573	92 688	92 688	107 586	93 477	93 409
Losses	239	351	42	115	115	115	118	124	129
Total Operating Expenditure	2 166 049	2 362 320	2 670 437	3 041 422	2 906 267	2 906 267	3 078 327	3 166 549	3 280 714
Surplus/(Deficit)	(822 025)	(902 259)	(1 119 109)	(1 404 855)	(1 332 605)	(1 332 605)	(1 388 495)	(1 335 346)	(1 296 520)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	4 667	8 909	8 909	9 053	9 470	9 896
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(822 025)	(902 259)	(1 119 109)	(1 400 187)	(1 323 697)	(1 323 697)	(1 379 442)	(1 325 876)	(1 286 625)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(822 025)	(902 259)	(1 119 109)	(1 400 187)	(1 323 697)	(1 323 697)	(1 379 442)	(1 325 876)	(1 286 625)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(822 025)	(902 259)	(1 119 109)	(1 400 187)	(1 323 697)	(1 323 697)	(1 379 442)	(1 325 876)	(1 286 625)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(822 025)	(902 259)	(1 119 109)	(1 400 187)	(1 323 697)	(1 323 697)	(1 379 442)	(1 325 876)	(1 286 625)
Capital Expenditure	209 282	267 714	260 886	805 560	650 430	598 985	661 293	530 380	635 399

2.12.12.2 Water & Sanitation Services

In managing the provision of drinking water and the treatment of wastewater, the City performs the dual role of Water Service Authority and Water Service Provider. It also provides bulk drinking water to adjacent local authorities, namely Drakenstein Municipality and Stellenbosch Municipality.

As a water service provider, the City constantly strives to improve its performance with respect to water quality management. Water safety planning and risk mitigation methodologies are integrated into the management processes. Although no major corrective interventions are currently required in terms of the water safety plan, the City will constantly evaluate the need for additional risk mitigation measures. Although provision is made in the normal budget allocations to maintain the high standards already achieved, should additional safety barriers be identified or additional license conditions be specified, then budgetary allocations will be prioritised for the associated intervention.

The Water and Sanitation Strategy, informed by the long term vision, is centered on five core commitments. The five commitments are – Safe access to water and sanitation, the wise use of water, sufficient and reliable water from diverse sources, shared benefits from regional sources and transitioning into a water sensitive city. The fulfilment of these five commitments will result in the citizens' needs being met, support being given for improved living conditions as well as protection of the environment and will ultimately enable and support a growing economy.

The Water & Sanitation Services department has been restructured by logically clustering branches into four clusters with two focusing vertically on direct delivery and two working transversely to improve coordination and efficiency.

Cluster	Branch
Bulk Service	<ul style="list-style-type: none"> ▪ Bulk Water ▪ Catchment, Stormwater & River Management ▪ Wastewater
Distribution Services	<ul style="list-style-type: none"> ▪ Reticulation ▪ Informal Settlement Basic Services
Technical Services (Working transversally across branches)	<ul style="list-style-type: none"> ▪ Engineering & Asset Management ▪ WDM, Regulation & Planning ▪ Scientific Services ▪ Auxiliary Services ▪ Human Resources Business Partner
Commercial Services (Working transversally across branches)	<ul style="list-style-type: none"> ▪ Customer Services ▪ Capital & Contract Management ▪ Finance & Commercial

The clusters consist of the following branches performing the functions specified.

Bulk Services

• Bulk Water Branch

Manages water catchment areas, storage dams, dam safety, developing and implementing new and diverse supplies of water to increase resilience, water treatment and the conveyance of water in bulk water supply lines to reticulation networks.

- **Catchment, Stormwater and River Management Branch**

Responsible for strategic planning for the City's Stormwater system, which includes the management of river systems and their drainage catchments in order to manage flood risk, improve inland water quality and optimise the harvesting of Stormwater as a valuable water resource.

- **Wastewater Treatment Branch**

Wastewater treatment works have the important job of treating used water (effluent) and making it safe before discharging it into the environment.

Distribution Services

- **Reticulation Branch**

Distributes drinking water to consumers and conveys wastewater to treatment works through a network of pipelines, pump stations and reservoirs. They also convey treated effluent (recycled) water to large users and to designated collection/filling points for construction and industrial contractors.

- **Informal Settlements Basic Services Branch**

Provision of basic services to informal settlements through the development and implementation of infrastructure and asset maintenance and management of janitorial services for ablution facilities.

Technical Services

- **Engineering and Asset Management Branch**

Ensures the electrical and mechanical maintenance of the water and sanitation equipment and facilities. They also provide risk management, fleet management and health and safety services for the Water & Sanitation Services department.

- **Water Demand Management, Regulation and Planning Branch**

This branch provides a planning service and is responsible for policy development (e.g. the Water Services Development Plan and the Water Conservation and Demand Management Strategy) and the development and enforcement of by-laws (e.g. the Water and Treated Effluent by-laws). The branch also coordinates water demand management programmes, quality management and awareness programmes (e.g. water conservation and sewer blockage education), information management and business reporting.

- **Scientific Services Branch**

Ensures that the water and treated effluent quality is in compliance with strict water quality checks as prescribed by the Department of Water and Sanitation (DWS). They conduct vigorous testing of drinking water including chemical and microbiological analysis in accordance with SANS 241:2015. In addition, they test treated wastewater from wastewater treatment works, water from rivers and vleis, and also perform air pollution testing.

- **Auxiliary Services Branch**

Manages depot and building maintenance, information and technology support, staff housing, external communication programmes and campaigns around water and sanitation issues, loss control and investigations as well as security and protection services for staff in volatile areas.

- **Human Resources Business Partner**

Provides an administrative role to the department, which includes training and human resources support.

Commercial Services

- **Customer Services Branch**

Manages the optimising of water meter operations, accurate billing based on meter reading, responsiveness to customer queries as well as effective implementation of debt management and revenue collection actions.

- **Finance and Commercial Branch**

Provides administrative functions related to budgeting, accounting and financial administration as well as management of movable assets.

- **Capital and Contract Management Branch**

Provides oversight on the implementation of the projects forming part of the department's capital development programme, ensuring adherence to SCM/tender processes as well as contract management principles.

Performance Objectives and Indicators

Strategic Focus Area	Objectives	IDP Programme
SFA 1: Opportunity City	1.1 Positioning Cape Town as a forward-looking, globally competitive city	1.1c Infrastructure Investment programme
	1.3 Economic Inclusion	Expanded Public Works Programme
	1.4 Resource efficiency and security	1.4k Energy-efficiency and supply programme
		1.4l Climate Change Program
		1.4m City Resilience programme
SFA 3: Caring City	3.1 Excellence in basic service delivery	3.1a Excellence in service delivery
	3.2 Basic Services to Informal Settlements	3.2d Basic Service Delivery programme
SFA 5: Well-Run City	5.1 Operational sustainability	5.1a Efficient, responsible and sustainable programme
		5.1c Compliant Service delivery programme
		5.1f Service delivery improvement programme

The IDP identifies the need to address the challenges related to maintaining water and sewer infrastructure, address the growth in the City and to take care of the indigent households.

In this regard, the proposed 2021/22 capital budget attempts to address the following key areas, namely:

- New Water Strategy / Plan to ensure security of water;
- Expand the water- and sewer reticulation system in line with growth requirements;
- Extension of the capacity of major wastewater treatment plants, including major plants such as Zandvliet, Potsdam, Cape Flats Bio-solids, Wesfleur and Athlone Wastewater treatment plants requires large expenditure over an extended period; and
- Upgrading and rehabilitating of current ageing infrastructure.

An estimated 95% is intended for spending on the 'Opportunity City' and 'Caring City' strategic focus areas (SFAs), which addresses the objectives of resource security and basic service delivery within the context of a globally competitive City. This include upgrading, refurbishment of wastewater plants, new water strategy projects, water demand management initiatives, water- and sewer reticulation networks and the upgrading of the stormwater system in areas like Sir Lowry's Pass- and Lourens River. The remaining spending is intended for institutional assets (e.g. depots, vehicles and equipment).

Changes to service levels and standards over the MTREF

Although the achieving of targets is showing positive trends, the department experienced significant challenges in overcoming the effects of the drought period and COVID-19 pandemic, which placed additional demands on the department's implementing capacity. Perhaps the most important 'target' achieved during this period was the cooperation between the City and the public to continue to conserve water resulting in significantly higher dam levels.

Although there are no material changes in service standards from the previous financial year, the department's commitments for a shared water future are encapsulated in the Water and Sanitation Strategy.

Past year's performance – 2019/20

The Water & Sanitation Services department has experienced a number of very challenging years due to Cape Town suffering an unprecedented drought that put the department under tremendous strain, but this challenge was overcome by hard work and dedication, together with the positive response from the City's customers, which made Cape Town the number one water-saving City in the world. The challenge to continue to conserve water remains.

The development of expertise to manage the city infrastructure under drought conditions has been a by-product of the drought. These circumstances have necessitated the department to redirect resources under challenging circumstances with a major thrust on diversifying the City's water resource base, increasing the treated effluent volumes reticulated via a separate pipeline network to be reused for sports fields and agricultural irrigation as well as improving the pressure management system. The Water Strategy places the department on a trajectory to become a modern professional water service provider, consistent with international best practice.

The department also continued to maintain service delivery standards during this period, not only to formal properties but also to informal settlements where an additional 1520 new water connection points and 2999 new sanitation services points were installed during the 2019/20 financial year. The impact of the pandemic and historically slow jobless economic growth is likely to result in an acceleration in informal household growth.

Risks to achieving revenue projections, any expected major shifts in revenue patterns and any planned alternative sources of revenue

Current consumption levels impact on the ability to generate the revenue necessary to recover the cost for delivering the service. Along with the success of drastically reducing the water usage during the drought, came the high level of uncertainty with regards to the projected consumption patterns and permanent impact of water saving changes made by the customer. The City continues to closely monitor the new consumption patterns.

Major features of expenditure including discretionary and non-discretionary expenditure

The proposed budget makes allowance for cost associated with the water augmentation plan to ensure security of water supply, upgrades and extensions to the wastewater treatment plants, water demand management initiatives, ensuring the management of assets at appropriate levels, sustain and enhance the maintenance programmes as well as supplying water and sanitation at appropriate compliance, capacity, skills, service delivery and responsiveness levels.

Directorate capital programme

Some of the major capital projects are reflected below:

- Bulk Water - New Water Plan: Atlantis Aquifer; Cape Flats Aquifer & Recharge; Table Mountain Group Aquifer; Zandvliet Waste Water Plant re-use and Bulk Water Infrastructure Replacement.
- Bulk Water: commencement of the Contermanskloof 100ML reservoir;
- Reticulation: Cape Flats Sewer Rehabilitation; Philippi Collector Sewer; Water Supply at Baden Powell Drive to Khayelitsha; Replace Water Network (City-wide) as well as Replace Sewer Network (City-wide);
- Customer Services: Meter Replacement Programme
- Waste Water Treatment Works: Zandvliet WWTW - Primary Treatment & Sludge; Athlone WWTW – Extension; Cape Flats WWTW – Bio-solids; Potsdam WWTW and Wesfleur WWTW Aeration and Blowers.
- Catchment, Stormwater and River Management: Sir Lowry's Pass River Upgrade; Lourens River – Flood Alleviation and Upgrade Vygeskraal River bank - Athlone;
- Engineering & Asset Management: Vehicles and Plant requirements;
- Water Demand Management: Treated Effluent and Pressure Management Programme.
- Auxiliary Services: Depot Upgrades and IT & Information Management Systems

Table 73 - Water & Sanitation Services (Vote 12) - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Water & Waste									
Department: Water & Sanitation Services									
Budgeted Financial Performance (revenue and expenditure)									
Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Operating Revenue By Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	13	–	(0)	–	–	–	–	–	–
Service charges - water revenue	2 932 228	3 123 058	3 020 019	3 193 926	3 212 333	3 212 333	3 555 763	3 847 765	4 103 375
Service charges - sanitation revenue	1 518 274	1 602 463	1 549 162	1 616 486	1 616 883	1 616 883	1 775 113	1 916 842	2 050 805
Service charges - refuse revenue	3	–	–	–	–	–	–	–	–
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	185	177	199	200	200	200	206	216	225
Interest earned - external investments	–	3	–	–	–	–	–	–	–
Interest earned - outstanding debtors	173 926	225 037	212 030	204 000	220 000	220 000	226 820	237 254	247 930
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	97 382	32 318	20 405	181	181	181	186	195	204
Licences and permits	221	3	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	14 333	15 495	48 891	16 996	190 523	190 523	120 560	–	–
Other revenue	74 869	100 097	102 326	42 991	48 703	48 703	46 777	48 929	51 131
Gains	1 438	1 005	1 584	1 000	4 000	4 000	2 005 241	2 005 431	2 005 625
Total Operating Revenue (excluding capital transfers and contributions)	4 812 872	5 099 655	4 954 616	5 075 780	5 292 822	5 292 822	7 730 667	8 056 631	8 459 294
Expenditure By Type									
Employee related costs	1 467 941	1 607 837	1 709 614	1 955 239	1 951 760	1 951 760	2 180 808	2 252 398	2 363 007
Remuneration of councillors	–	–	–	–	–	–	–	–	–
Debt impairment	173 821	104 182	958 372	893 750	770 550	770 550	676 200	627 518	488 073
Depreciation & asset impairment	557 939	652 488	736 062	767 310	496 246	496 246	527 912	553 649	571 203
Finance charges	1	235	17	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	415 737	527 035	693 540	524 655	561 961	561 961	2 526 662	2 538 187	2 552 040
Contracted services	1 110 456	1 084 873	1 295 806	1 587 731	1 668 240	1 668 240	1 683 451	1 580 711	1 691 622
Transfers and subsidies	–	499	–	17 300	17 900	17 900	29 900	30 900	27 900
Other expenditure	342 721	318 499	403 399	528 076	481 279	481 279	402 253	414 444	457 492
Losses	601	1 370	464	0	0	0	12 004	12 004	12 004
Total Operating Expenditure	4 069 218	4 297 021	5 797 274	6 274 061	5 947 936	5 947 936	8 039 190	8 009 811	8 163 341
Surplus/(Deficit)	743 654	802 635	(842 658)	(1 198 281)	(655 113)	(655 113)	(308 523)	46 820	295 953
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	467 451	745 430	590 318	406 262	351 577	351 577	281 746	317 000	322 000
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)	19 635	10 915	11 855	28 398	33 000	33 000	33 558	34 412	35 285
Transfers & subsidies capital in-kind	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	1 230 740	1 558 979	(240 485)	(763 622)	(270 536)	(270 536)	6 781	398 232	653 238
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	1 230 740	1 558 979	(240 485)	(763 622)	(270 536)	(270 536)	6 781	398 232	653 238
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	1 230 740	1 558 979	(240 485)	(763 622)	(270 536)	(270 536)	6 781	398 232	653 238
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1 230 740	1 558 979	(240 485)	(763 622)	(270 536)	(270 536)	6 781	398 232	653 238
Capital Expenditure	1 743 207	1 521 136	1 917 506	2 838 119	2 400 405	2 383 977	2 381 951	2 806 942	4 775 646

2.13 Annual budget and service delivery agreement – Cape Town International Convention Centre (CTICC)

2.13.1 Executive Summary

In the past number of years, the CTICC has generated positive growth in revenue and operating profit before interest, taxation, depreciation and amortisation (EBITDA), while successfully navigating various challenges facing the region and industry, until the past year.

The budget for the 2021/22 financial year has been compiled by management, taking into account the significant negative impact of the COVID-19 pandemic on the company's ability to host events in the short to medium term.

Due to the National State of Disaster and lockdown restrictions, the CTICC was unable to host events from mid-March 2020. This has had a devastating impact on operations. During this time, no significant revenue was earned, yet most operating costs remained in place. A large percentage of the staff was provided with the tools to work from home and, while it proved challenging at times, this arrangement was largely successful.

When the restriction levels were eased in May 2020, events for up to 50 people could be hosted. However, there has not been a significant uptake by clients during this time, and these challenging business conditions are expected to continue until the National State of Disaster regulations allow the hosting of events with larger numbers of participants.

The CTICC has until recently, been in the desirable position of generating its own financial resources, which funded its growth through reinvestment for the future. This trend is, however, not likely to persist in the 2021/22 financial year, as a result of the loss in business due to the COVID-19 pandemic. All available cash resources are being allocated to fund operational- and critical capital expenditure, while minimal revenue is being earned.

To mitigate against the issue of going concern, the Company has approached the shareholders for a capital injection by proposing the purchasing of additional shares. The City, being the majority shareholder, has approved the purchase of shares in the CTICC up to a maximum of R200 million. These shares will be from a new class to be created, which will be offered to the City as and when the CTICC requires cash resources for operations.

Given the company's economic mandate, the CTICC continues to focus on expanding its regional and broader international reach. Now, more than ever, it is important to ensure that the CTICC plans for the future and adapts in a way that allows it to achieve success in the post-pandemic environment. Sales, client relations and marketing strategies are in place to, firstly, keep the CTICC top-of-mind with key role-players and decision-makers and, secondly, position the CTICC as a venue that has the staff, skills, track-record and vision to deliver and exceed clients' expectations. The CTICC has several client engagements planned, nationally, regionally and internationally, to support this strategy.

2.13.2 Service Delivery Agreement between the City and the CTICC

Table 74 - CTICC – Service Delivery Agreement

Period of agreement	No period stipulated but subject to annual reviews in terms of Section 93A of the Systems Act.
Service provided	International conference centre
Expiry date of SDA	Not applicable
Monetary value	No current operating funding from the City.
Ownership and control	<u>Shareholding as at 31/01/2020</u> City of Cape Town - 71.4% Provincial Government of Western Cape - 23.2% SunWest International Pty Ltd - 5.4%
Oversight processes	The Finance directorate (Treasury Department) of the City monitors performance and compliance.
Mandate	To manage and sustain a World Class International Convention Centre
Funding over medium term	The CTICC does not intend taking up loan funding to fund their capital programme at this time.
Summary of SDA	Sets out the obligations of the CTICC and the City in respect of compliance and performance issues.
Link to IDP	SFA 1: Opportunity City SFA 4: Inclusive City SFA 5: Well-run City
Past performance and future objectives	The CTICC has performed exceptionally well and exceeded its targets in the past. As the expanded centre will support the CTICC's vision and growth outlook, as well as the City's objective of establishing Cape Town as Africa's top business events destination.

The entity's major expenditure categories include:

- Employee related costs;
- Depreciation;
- Contracted services, which mainly consists of cleaning services, security services and refuse removal; and
- Other expenditure, consisting mainly of marketing and communication, IT costs, Office- and travel costs, and which are an integral part of the entity's business strategy to grow revenue.

Being in the international service and hospitality business requires that facilities are always up to international standards. The assets of the conference centre represent a major investment, which attracts substantial depreciation. There is also a policy for regular replacement of fixed assets to maintain the high standards, which results in high capital expenditure every year.

The aggregated annual budget, as required in terms of section 9 of the MBRR, are presented in the five primary budget tables on page 204 to page 208. These tables reflect the CTICC's 2021/22 budget and MTREF to be supported by Council.

Schedule D reflecting the annual budget and supporting documents for the CTICC is attached as Annexure 31, while the business plan is attached as Annexure 32. The entity's proposed tariffs are attached as Annexure 33.

Table 75 - CTICC - Table D1 Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
<u>Financial Performance</u>									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Investment revenue	17 829	14 482	15 296	8 075	3 665	3 665	225	233	271
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other own revenue	246 324	277 782	205 612	207 907	36 988	36 988	25 766	203 318	216 059
Total Revenue (excluding capital transfers and contributions)	264 153	292 264	220 908	215 982	40 653	40 653	25 991	203 551	216 329
Employee costs	56 451	64 254	75 721	90 325	76 461	76 461	54 470	60 165	64 315
Remuneration of Board Members	459	415	628	581	651	651	697	732	776
Depreciation & asset impairment	502 419	54 123	136 708	54 499	237 218	237 218	50 738	46 960	47 319
Finance charges	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	33 615	35 762	26 083	28 061	3 743	3 743	3 775	31 695	33 790
Transfers and subsidies	–	2 124	2 124	–	2 124	2 124	2 124	2 124	2 124
Other expenditure	98 554	117 709	115 352	138 941	91 926	91 926	83 695	96 001	102 139
Total Expenditure	691 499	274 386	356 617	312 407	412 123	412 123	195 498	237 676	250 464
Surplus/(Deficit)	(427 346)	17 878	(135 709)	(96 425)	(371 470)	(371 470)	(169 507)	(34 125)	(34 134)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(427 346)	17 878	(135 709)	(96 425)	(371 470)	(371 470)	(169 507)	(34 125)	(34 134)
Taxation	(117 590)	5 394	(34 396)	(25 520)	(104 011)	(104 011)	(43 779)	(8 762)	(8 764)
Surplus/ (Deficit) for the year	(309 756)	12 484	(101 313)	(70 906)	(267 459)	(267 459)	(125 728)	(25 363)	(25 370)
<u>Capital expenditure & funds sources</u>									
Capital expenditure	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737
Transfers recognised - capital	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737
Total sources of capital funds	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737
<u>Financial position</u>									
Total current assets	245 145	252 295	219 744	110 167	38 223	38 223	28 386	73 718	66 041
Total non current assets	704 703	880 699	819 729	884 708	725 675	725 675	727 764	707 914	692 972
Total current liabilities	106 700	97 972	117 108	78 525	60 231	60 231	54 979	64 683	67 349
Total non current liabilities	–	335	136	–	–	–	231	374	459
Community wealth/Equity	843 148	1 034 686	922 229	916 350	703 667	703 667	700 939	716 576	691 206
<u>Cash flows</u>									
Net cash from (used) operating	88 732	24 574	45 213	(16 944)	(169 382)	(169 382)	(121 713)	11 202	16 096
Net cash from (used) investing	(115 960)	(66 087)	(56 408)	(75 483)	12 469	12 469	111 828	20 528	(25 737)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	223 757	182 244	171 049	81 598	17 112	17 112	7 227	38 957	29 315

Table 76 - CTICC - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description R thousands	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Revenue by Source</u>									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	115 084	128 088	98 946	115 960	19 909	19 909	8 398	96 698	102 799
Interest earned - external investments	17 829	14 482	15 296	8 075	3 665	3 665	225	233	271
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other revenue	131 240	149 694	106 666	91 947	17 022	17 022	17 368	106 620	113 259
Gains	–	–	–	–	57	57	–	–	–
Total Revenue (excluding capital transfers and contributions)	264 153	292 264	220 908	215 982	40 653	40 653	25 991	203 551	216 329
<u>Expenditure By Type</u>									
Employee related costs	56 451	64 254	75 721	90 325	76 461	76 461	54 470	60 165	64 315
Remuneration of Board Members	459	415	628	581	651	651	697	732	776
Debt impairment	1 057	414	(222)	450	360	360	360	360	360
Depreciation & asset impairment	502 419	54 123	136 708	54 499	237 218	237 218	50 738	46 960	47 319
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	33 615	35 762	26 083	28 061	3 743	3 743	3 775	31 695	33 790
Contracted services	52 915	59 538	52 458	60 033	35 503	35 503	33 218	42 434	44 986
Transfers and subsidies	–	2 124	2 124	–	2 124	2 124	2 124	2 124	2 124
Other expenditure	44 583	57 064	63 125	78 458	56 063	56 063	50 117	53 207	56 793
Losses	–	692	(9)	–	–	–	–	–	–
Total Expenditure	691 499	274 386	356 617	312 407	412 123	412 123	195 498	237 676	250 464
Surplus/(Deficit)	(427 346)	17 878	(135 709)	(96 425)	(371 470)	(371 470)	(169 507)	(34 125)	(34 134)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(427 346)	17 878	(135 709)	(96 425)	(371 470)	(371 470)	(169 507)	(34 125)	(34 134)
Taxation	(117 590)	5 394	(34 396)	(25 520)	(104 011)	(104 011)	(43 779)	(8 762)	(8 764)
Surplus/ (Deficit) for the year	(309 756)	12 484	(101 313)	(70 906)	(267 459)	(267 459)	(125 728)	(25 363)	(25 370)

Table 77 - CTICC - Table D3 Capital Budget by vote and funding

Vote Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
Capital expenditure by Asset Class/Sub-class									
Other assets	100 974	43 391	38 256	41 713	12 162	12 162	6 950	13 530	15 855
Operational Buildings	100 974	43 391	38 256	41 713	12 162	12 162	6 950	13 530	15 855
Municipal Offices	100 974	43 391	38 256	41 713	12 162	12 162	6 950	13 530	15 855
Computer Equipment	8 621	15 559	13 314	26 586	10 254	10 254	3 600	5 000	2 550
Computer Equipment	8 621	15 559	13 314	26 586	10 254	10 254	3 600	5 000	2 550
Furniture and Office Equipment	3 183	5 797	3 219	4 518	614	614	600	1 600	5 405
Furniture and Office Equipment	3 183	5 797	3 219	4 518	614	614	600	1 600	5 405
Machinery and Equipment	3 183	1 340	1 619	2 667	501	501	22	342	1 927
Machinery and Equipment	3 183	1 340	1 619	2 667	501	501	22	342	1 927
Total capital expenditure on assets	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737
Funded by:									
National Government	–	–	–	–	–	–	–	–	–
Provincial Government	–	–	–	–	–	–	–	–	–
Parent Municipality	–	–	–	–	–	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737
Total Capital Funding	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737

Table 78 - CTICC - Table D4 Budgeted Financial Position

Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
ASSETS									
Current assets									
Cash	6 282	12 023	2 309	–	–	–	–	–	–
Call investment deposits	217 475	170 221	168 740	81 598	17 112	17 112	7 227	38 957	29 315
Consumer debtors	–	–	–	–	–	–	–	–	–
Other debtors	19 796	65 862	43 603	24 077	17 059	17 059	17 252	30 498	32 409
Current portion of long-term receivables	–	2 124	2 124	2 124	2 124	2 124	2 124	2 124	2 124
Inventory	1 591	2 065	2 968	2 367	1 929	1 929	1 783	2 140	2 193
Total current assets	245 145	252 295	219 744	110 167	38 223	38 223	28 386	73 718	66 041
Non current assets									
Long-term receivables	–	175 051	172 927	170 803	170 803	170 803	168 679	166 555	164 431
Investments	0	0	0	0	0	0	0	0	0
Investment property	–	–	–	–	–	–	–	–	–
Investment in Associate	–	–	–	–	–	–	–	–	–
Property, plant and equipment	575 139	581 477	482 684	543 992	292 294	292 294	252 728	226 240	204 658
Biological	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–
Other non-current assets	129 564	124 170	164 117	169 912	262 577	262 577	306 356	315 118	323 882
Total non current assets	704 703	880 699	819 729	884 708	725 675	725 675	727 764	707 914	692 972
TOTAL ASSETS	949 848	1 132 993	1 039 473	994 875	763 898	763 898	756 149	781 632	759 014
LIABILITIES									
Current liabilities									
Bank overdraft	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Consumer deposits	28 163	41 386	66 698	32 700	24 467	24 467	25 935	30 344	31 861
Trade and other payables	73 814	51 009	46 134	41 229	35 764	35 764	29 044	31 368	32 309
Provisions	4 723	5 577	4 276	4 596	–	–	–	2 971	3 179
Total current liabilities	106 700	97 972	117 108	78 525	60 231	60 231	54 979	64 683	67 349
Non current liabilities									
Borrowing	–	–	–	–	–	–	–	–	–
Provisions	–	335	136	–	–	–	231	374	459
Total non current liabilities	–	335	136	–	–	–	231	374	459
TOTAL LIABILITIES	106 700	98 307	117 244	78 525	60 231	60 231	55 210	65 056	67 808
NET ASSETS	843 148	1 034 686	922 229	916 350	703 667	703 667	700 939	716 576	691 206
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	(434 280)	(242 741)	(355 199)	(361 078)	(609 761)	(609 761)	(735 489)	(760 852)	(786 222)
Reserves	1 277 428	1 277 428	1 277 428	1 277 428	1 313 428	1 313 428	1 436 428	1 477 428	1 477 428
TOTAL COMMUNITY WEALTH/EQUITY	843 148	1 034 686	922 229	916 350	703 667	703 667	700 939	716 576	691 206

Table 79 - CTICC – Table D5 Budgeted Cash Flow

Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Other revenue	248 151	247 577	244 401	207 907	36 931	36 931	25 766	203 318	216 059
Transfers and Subsidies - Operational	–	–	–	–	–	–	–	–	–
Transfers and Subsidies - Capital	–	–	–	–	–	–	–	–	–
Interest	17 829	14 846	15 330	8 075	3 665	3 665	225	233	271
Dividends	–	–	–	–	–	–	–	–	–
Payments									
Suppliers and employees	(177 249)	(237 849)	(214 518)	(232 926)	(209 977)	(209 977)	(147 704)	(192 349)	(200 234)
Finance charges	–	–	–	–	–	–	–	–	–
Dividends paid	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	88 732	24 574	45 213	(16 944)	(169 382)	(169 382)	(121 713)	11 202	16 096
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	36 000	36 000	123 000	41 000	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–
Payments									
Capital assets	(115 960)	(66 087)	(56 408)	(75 483)	(23 531)	(23 531)	(11 172)	(20 472)	(25 737)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(115 960)	(66 087)	(56 408)	(75 483)	12 469	12 469	111 828	20 528	(25 737)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–
Payments									
Repayment of borrowing	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD	(27 228)	(41 513)	(11 195)	(92 426)	(156 913)	(156 913)	(9 885)	31 730	(9 641)
Cash/cash equivalents at the year begin:	250 985	223 757	182 244	174 025	174 025	174 025	17 112	7 227	38 957
Cash/cash equivalents at the year end:	223 757	182 244	171 049	81 598	17 112	17 112	7 227	38 957	29 315

2.14 Annual budget and service delivery agreement – Cape Town Stadium (CTS)

2.14.1 Executive Summary

The 2019/2020 financial year has been a challenging year for the Cape Town Stadium (CTS) due to the impact of COVID-19 on business. As projected during the previous CTS business planning cycle, the ME which governs and manages the stadium on the City's behalf, has taken major strides in developing and implementing its organisational, administrative, commercial, financial and facility management operations.

CTS have completed its second full annual financial cycle. The board and management of CTS are pleased to report that during the current financial year, the stadium has achieved (and in some instances exceeded) its projected performance and budgeted financial targets. A Service Delivery Agreement (SDA) with the City has been implemented by CTS, in terms of the MFMA. In respect of its governance and management of the stadium, CTS, under the guidance of the Board, has also successfully concluded its macro organisational restructuring process that was undertaken to align it with an organisational structure suitable to fulfil its contractual mandate to the City, for the ultimate benefit of the City's ratepayers.

The Board and Management of CTS were pleased that the CTS once again achieved an unqualified 'clean' audit report for its second full financial year of operations.

In pursuit of financial sustainability, the Board approved the commercialisation strategy, which has been a focal point of CTS during its current business cycle. CTS has refined the commercial strategy and business plan and has secured a Naming Rights Partner, an Anchor Tenant in Western Province Rugby for the CTS, as well as the commencement of the implementation process of the commercial events overlay, which includes concessionaires, liquor distribution agents, hospitality partners and preferred suppliers. The COVID-19 lockdown restrictions have had a significant impact on the commercial aspect of the entity. The business plan has been prepared on the basis that government will lift restrictions on gatherings in a phased approach and that spectators will be allowed in attendance of events. The 2021/22 budget includes revenue earned from events from the second half of the 2021/22 financial year and takes into account that spectators will be allowed in attendance from this date onwards.

The following CTS board committees and sub-committees have been fully constituted and will carry out their Board approved functions in terms of documented and approved Terms of References:

- Audit and Risk Committee
- Human Resource, Social and Ethics Subcommittee
- Events, Marketing and Communications Subcommittee
- Commercial Subcommittee

These committees have been effectively and diligently fulfilling their respective oversight roles. From a governance perspective, the process is underway to appoint an independent, experienced and outsourced company secretary to perform the functions, which are currently residing with the internal Company Secretariat.

The board approved the implementation of the Partially Outsourced Model in 2019. This chosen model, in essence, entails that certain specialty areas are outsourced, with the over-arching management and control residing with CTS. This approach allows for a fully commercialised stadium while reducing risk substantially for the ME.

The following operational deliverables, in terms of the SDA, have been renewed for a further three-year period commencing 1 February 2021, and continues to be executed in terms of the provisions of the SDA between the City and CTS:

- **General Facility Operations**
Asset management and maintenance: ICT services and infrastructure support (including ticketing, advertising, audio-visual), safety and security, capital projects, refurbishment and investment projects.
- **Events and Entertainment Services Management**
Bowl and non-bowl event scheduling; planning and execution; development and hosting of signature events; managing of events industry and service provider requirement; events leveraging and bidding processes, etc.
- **Commercialisation, Marketing and Hospitality Management**
Advertising; merchandising; supplier and pouring rights; ticketing; hospitality; sponsorships; tourism; marketing of bowl and non-bowl facilities; property development and management; commercial legal services.
- **Legal HR and Administration Management**
Establishment and management of structures, systems, and processes with regards to legal, governance, HR and administration and such additional services as the City may require from time to time.

2.14.2 Service Delivery Agreement between the City and the CTS

Table 80 - CTS – Service Delivery Agreement

Period of agreement	The City may, at its sole discretion, extend the service provider's appointment for a further period of 49 years. Then say effectively 50 years from commencement date.
Funding	The City will provide the grant/allocation to cover the entity's operational expenditure in terms of an approved budget and provide support services for the first three years. The entity will be responsible for all maintenance, which is based on the City's maintenance standards. The City will be liable for all capital expenditure, including additional hospitality suites.
Staffing	The City will second staff members to the entity with the concurrence of the staff members concerned. Staff currently employed at the Cape Town Stadium will remain as City employees, will be paid by the City and will receive their standard benefits including bonuses and leave pay. The entity may appoint additional staff.
Services to be Provided	<ul style="list-style-type: none"> • General facility maintenance and event support operations; • Events and entertainment services management; • Commercialisation, marketing and hospitality management; and • Finance, legal and administration management.
Ownership and Control	The City is the 100% shareholder of the entity.
Oversight Processes	The Finance directorate (Treasury department) of the City monitors the Service Delivery Agreement (SDA) and related performance and compliance of the entity.
City's Obligations	The City must provide dedicated and prioritised support with regards to accounting, financial management and budgeting per the MFMA, including utilisation of the SAP (Systems, Applications and Products) system as used by the City and Supply Chain Management support, legal company secretary, brand management and communication. In addition, the City must provide dedicated and prioritised services in regard to human resource management support, as well as internal audit and risk management support including oversight over the service provider's audit committee.

The aggregated annual budget, as required in terms of section 9 of the MBRR, are presented in the five primary budget tables on page 211 to page 214. These tables reflect the CTS's 2021/22 budget and MTREF to be supported by Council.

Schedule D reflecting the CTS's annual budget and supporting documents is attached as Annexure 34 while the business plan is attached as Annexure 35. The CTS's proposed tariff structure is attached as Annexure 36.

Table 81 - CTS - Table D1 Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
<u>Financial Performance</u>									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Investment revenue	–	–	1	–	–	–	–	–	–
Transfers recognised - operational	26 337	55 120	59 454	65 718	65 718	65 718	60 484	26 410	24 707
Other own revenue	6 749	24 558	25 501	27 433	8 897	8 897	42 603	94 000	97 902
Total Revenue (excluding capital transfers and contributions)	33 087	79 678	84 956	93 150	74 615	74 615	103 087	120 410	122 608
Employee costs	–	–	732	1 409	1 409	1 409	1 409	1 465	1 523
Remuneration of Board Members	205	320	272	424	424	424	460	479	498
Depreciation & asset impairment	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	–	445	687	674	615	615	636	661	688
Transfers and grants	–	–	–	2 597	42 597	42 597	6 734	6 897	7 069
Other expenditure	32 882	78 912	81 255	88 046	69 570	69 570	91 838	108 898	110 820
Total Expenditure	33 087	79 678	82 946	93 150	114 615	114 615	101 077	118 400	120 598
Surplus/(Deficit)	0	(0)	2 010	(0)	(40 000)	(40 000)	2 010	2 010	2 010
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	0	(0)	2 010	(0)	(40 000)	(40 000)	2 010	2 010	2 010
Taxation	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	0	(0)	2 010	(0)	(40 000)	(40 000)	2 010	2 010	2 010
<u>Capital expenditure & funds sources</u>									
<u>Capital expenditure</u>	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–
Total sources of capital funds	–	–	–	–	–	–	–	–	–
<u>Financial position</u>									
Total current assets	4 777	3 948	6 463	6 392	46 382	46 382	5 540	5 597	5 655
Total non current assets	–	–	–	–	1 895 000	1 895 000	–	–	–
Total current liabilities	4 777	3 948	4 453	6 392	6 382	6 382	3 530	3 587	3 645
Total non current liabilities	–	–	–	–	–	–	–	–	–
Community wealth/Equity	–	–	2 010	–	1 935 000	1 935 000	2 010	2 010	2 010
<u>Cash flows</u>									
Net cash from (used) operating	(0)	11	(11)	(3 771)	(3 781)	(3 781)	(0)	0	0
Net cash from (used) investing	–	–	–	–	–	–	–	–	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	(0)	11	(0)	10	(0)	(0)	(0)	(0)	(0)

Table 82 - CTS - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description R thousands	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Source									
Property rates	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	6 307	22 126	17 086	21 376	4 800	4 800	26 972	74 528	77 522
Interest earned - external investments	–	–	1	–	–	–	–	–	–
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	26 337	55 120	59 454	65 718	65 718	65 718	60 484	26 410	24 707
Other revenue	442	2 432	8 415	6 057	4 097	4 097	15 631	19 471	20 379
Gains	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	33 087	79 678	84 956	93 150	74 615	74 615	103 087	120 410	122 608
Expenditure By Type									
Employee related costs	–	–	732	1 409	1 409	1 409	1 409	1 465	1 523
Remuneration of Board Members	205	320	272	424	424	424	460	479	498
Debt impairment	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	–	445	687	674	615	615	636	661	688
Contracted services	19 633	58 828	64 117	68 715	56 644	56 644	71 808	87 234	87 944
Transfers and subsidies	–	–	–	2 597	42 597	42 597	6 734	6 897	7 069
Other expenditure	13 249	20 084	17 138	19 331	12 926	12 926	20 031	21 664	22 876
Losses	–	–	–	–	–	–	–	–	–
Total Expenditure	33 087	79 678	82 946	93 150	114 615	114 615	101 077	118 400	120 598
Surplus/(Deficit)	0	(0)	2 010	(0)	(40 000)	(40 000)	2 010	2 010	2 010
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	0	(0)	2 010	(0)	(40 000)	(40 000)	2 010	2 010	2 010
Taxation	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	0	(0)	2 010	(0)	(40 000)	(40 000)	2 010	2 010	2 010

Table 83 - CTS - Table D4 Budgeted Financial Position

Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
ASSETS									
Current assets									
Cash	–	11	–	10	–	–	–	–	–
Call investment deposits	–	–	–	–	–	–	–	–	–
Consumer debtors	–	772	496	–	–	–	–	–	–
Other debtors	4 777	3 165	3 957	6 382	6 382	6 382	3 530	3 587	3 645
Current portion of long-term receivables	–	–	2 010	–	40 000	40 000	2 010	2 010	2 010
Inventory	–	–	–	–	–	–	–	–	–
Total current assets	4 777	3 948	6 463	6 392	46 382	46 382	5 540	5 597	5 655
Non current assets									
Long-term receivables	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–
Investment in Associate	–	–	–	–	–	–	–	–	–
Property, plant and equipment	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–
Intangible	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	1 895 000	1 895 000	–	–	–
Total non current assets	–	–	–	–	1 895 000	1 895 000	–	–	–
TOTAL ASSETS	4 777	3 948	6 463	6 392	1 941 382	1 941 382	5 540	5 597	5 655
LIABILITIES									
Current liabilities									
Bank overdraft	0	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Consumer deposits	–	–	–	–	–	–	–	–	–
Trade and other payables	4 776	3 948	4 453	6 392	6 382	6 382	3 530	3 587	3 645
Provisions	–	–	–	–	–	–	–	–	–
Total current liabilities	4 777	3 948	4 453	6 392	6 382	6 382	3 530	3 587	3 645
Non current liabilities									
Borrowing	–	–	–	–	–	–	–	–	–
Provisions	–	–	–	–	–	–	–	–	–
Total non current liabilities	–	–	–	–	–	–	–	–	–
TOTAL LIABILITIES	4 777	3 948	4 453	6 392	6 382	6 382	3 530	3 587	3 645
NET ASSETS	–	(0)	2 010	–	1 935 000	1 935 000	2 010	2 010	2 010
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	–	–	2 010	–	1 935 000	1 935 000	2 010	2 010	2 010
Reserves	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	–	–	2 010	–	1 935 000	1 935 000	2 010	2 010	2 010

Table 84 - CTS – Table D5 Budgeted Cash Flow

Description	2017/18	2018/19	2019/20	Current Year 2020/21			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Other revenue	6 332	22 180	19 823	27 433	6 300	6 300	33 859	85 093	88 823
Transfers and Subsidies - Operational	21 561	55 120	59 454	65 718	65 718	65 718	60 484	26 410	24 707
Transfers and Subsidies - Capital	–	–	–	–	–	–	–	–	–
Interest	–	–	1	–	–	–	–	–	–
Dividends	–	–	–	–	–	–	–	–	–
Payments									
Suppliers and employees	(27 893)	(77 289)	(79 285)	(96 921)	(75 799)	(75 799)	(94 343)	(111 504)	(113 529)
Finance charges	–	–	–	–	–	–	–	–	–
Dividends paid	–	–	–	–	–	–	–	–	–
Transfers and Grants	–	–	(3)	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	(0)	11	(11)	(3 771)	(3 781)	(3 781)	(0)	0	0
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–
Payments									
Capital assets	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES	–	–	–	–	–	–	–	–	–
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–
Payments									
Repayment of borrowing	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD	(0)	11	(11)	(3 771)	(3 781)	(3 781)	(0)	0	0
Cash/cash equivalents at the year begin:	–	(0)	11	3 781	3 781	3 781	(0)	(0)	(0)
Cash/cash equivalents at the year end:	(0)	11	(0)	10	(0)	(0)	(0)	(0)	(0)

2.15 Contracts having future budgetary implications

Table 85 - MBRR Table SA33 - Contracts having future budgetary implications

Description	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Total Contract Value
	Total	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Expenditure Obligation By Contract													
<i>Provision of Professional Services: Decommissioning of Athlone Power Station (Tender 459C/2010/11)</i>	3 374	3 750	3 563	3 563	–	–	–	–	–	–	–	–	14 249
<i>Provision of Professional Services (Term Tender No 375C/2018/19)</i>	–	7 901	9 358	7 301	2 233	3 113	8 350	5 100	–	–	–	–	43 355
<i>Appointment of a Main Banker and other banking services for the City (Tender 343C/2016/17)</i>	29 838	20 081	20 039	20 969	–	–	–	–	–	–	–	–	90 926
<i>Service Provider for Traffic Contravention Services (Tender 52S/2018/2019)</i>	–	24 000	40 000	45 000	45 000	30 000	20 000	–	–	–	–	–	204 000
<i>Operations, Maintenance and Management of the Zandvliet Wastewater Treatment (Tender 441S/2010/11)</i>	302 822	75 103	92 430	81 223	85 284	89 548	94 026	98 727	103 663	108 847	–	–	1 131 673
<i>Operations, Maintenance and Management of the Fisantekraal Wastewater Treatment (Tender 442S/2010/11)</i>	79 845	19 595	20 202	21 191	22 251	23 363	24 531	25 758	27 046	28 398	–	–	292 179
<i>Transnet (Provide services to transport waste from Athlone Transfer Station to Vissershok Landfill Site from 2013/14 to 2024/25)</i>	134 036	23 172	24 794	26 529	28 386	30 373	–	–	–	–	–	–	267 290
<i>Vehicle operator agreement - Transpeninsula (Tender DP5077S/2019/20)</i>	630 473	141 514	136 928	145 144	153 852	163 084	57 623	–	–	–	–	–	1 428 617
<i>Vehicle operator agreement - Table Bay area rapid transit (Tender DP5079S/2019/20)</i>	928 419	124 861	120 097	127 303	134 941	143 038	50 540	–	–	–	–	–	1 629 200
<i>Vehicle operator agreement - Kidrogen (Tender DP5078S/2019/20)</i>	1 102 605	199 523	191 674	203 174	215 365	228 286	80 661	–	–	–	–	–	2 221 288
<i>Provision of Professional Services: Business planning and related services (Tender 198C/2017/18)</i>	6 902	12 000	8 000	10 000	10 000	9 493	9 238	8 934	–	–	–	–	74 566
<i>Management and Operation of the Transport Information Centre (8-years) (Tender 136S/2019/20)</i>	–	17 412	26 755	28 124	29 539	31 024	32 585	34 224	35 945	–	–	–	235 608
<i>Appointment of a team of multidisciplinary professionals to support the City with Transport System and Network Planning and related Services (Tender 243C/2018/19)</i>	–	2 270	14 200	12 845	10 712	4 623	2 350	–	–	–	–	–	47 000
<i>Installation and maintenance of audio-visual video conferencing systems (Tender 172S/2019/20)</i>	–	10 000	10 000	10 000	10 000	10 000	–	–	–	–	–	–	50 000
<i>Supply, Installation and Maintenance of Security Alarm Systems (Tender 140S/2019/20)</i>	–	10 000	10 000	5 000	2 500	2 500	–	–	–	–	–	–	30 000
<i>Supply and Maintenance of Data Network Cabling (Tender 317S/2019/20)</i>	–	–	12 353	12 353	12 353	12 353	12 353	–	–	–	–	–	61 765
<i>Supply, Install and Maintain Integrated Engineering Communications System (Tender 387G/2015/16)</i>	100 000	20 000	20 000	20 000	20 000	20 000	–	–	–	–	–	–	200 000
<i>The renewal of enterprise vault licences and related services (Tender 011S/2019/20)</i>	–	5 000	5 000	5 000	5 000	5 000	–	–	–	–	–	–	25 000
<i>Supply, support, maintenance and services of backup and recovery licenses (Tender 129S/2019/20)</i>	–	5 395	5 395	5 395	5 395	5 395	–	–	–	–	–	–	26 975
<i>Installation and maintenance of fire alarm systems (Tender 135S/2019/20)</i>	–	20 000	20 000	20 000	20 000	10 000	–	–	–	–	–	–	90 000
<i>Supply, support, maintenance of ICT Security related infrastructure, software, services and licensing (Tender 265S/2019/20)</i>	–	–	4 909	9 654	11 387	12 106	–	–	–	–	–	–	38 056
Total Operating Expenditure Implication	3 318 314	741 576	795 697	819 768	824 199	833 299	392 257	172 742	166 654	137 245	–	–	8 201 750

Table continues on next page

Description	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Total Contract Value
	Total	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand													
Capital Expenditure Obligation By Contract													
Provision of Professional Services (Term Tender No 375C/2018/19)	–	17 299	11 242	16 299	6 267	5 388	150	–	–	–	–	–	56 645
Provision of Professional Services in respect of the Steenbras pumped storage main plant refurbishment (Tender 113C/2013/14)	8 052	5 000	5 000	10 000	20 000	20 000	4 000	–	–	–	–	–	72 052
Design and build of mechanical and electrical works for the construction of a MBR plant and bottleneck alleviation at Zandvliet Wastewater Treatment Works (Tender 178Q/2016/17)	76 387	189 820	176 713	40 776	49 076	–	–	–	–	–	–	–	532 772
The construction of a MBR plant and bottleneck alleviation at Zandvliet Wastewater Treatment Works: Civil works (Tender 179Q/2016/17)	45 410	89 820	102 199	30 325	30 000	–	–	–	–	–	–	–	297 754
Design-build of mechanical and electrical works for the construction of primary treatment and sludge handling facilities at Zandvliet Wastewater Treatment Works (Tender 085Q/2016/17)	98 691	225 739	10 807	4 628	–	–	–	–	–	–	–	–	339 865
Construction of the new inlet works, pump stations, primary settling tanks and sludge dewatering building at Zandvliet Wastewater Treatment Works: Civil Works (Tender 084Q/2016/17)	173 212	38 820	46 177	34 664	–	–	–	–	–	–	–	–	292 874
Laying of New Sewer Mains (Term Tender 358Q/2018/19)	–	6 000	14 000	18 000	20 000	22 000	–	–	–	–	–	–	80 000
Appointment of a panel of multidisciplinary professional consulting teams to undertake the planning, design and construction monitoring services of the Hostel Transformation Programme and new CRU development (Tender 061C/2017/18)	4 076	6 830	17 671	12 350	16 424	20 143	–	–	–	–	–	–	77 493
Provision of Professional Services: Planning, preliminary design, concept design, detailed design, tender documentation, and construction supervision for a City wide transport infrastructure programme (Tender 385C/2016/17)	4 308	24 295	39 957	25 622	22 700	16 200	5 000	–	–	–	–	–	138 083
Provision of Professional Project Management Services: Integrated rapid transit (Tender No.119C/2014/15)	31 622	9 919	12 665	–	–	–	–	–	–	–	–	–	54 207
Provision of professional engineering services: Investigation, preliminary design, detailed design and contract supervision for the capacity upgrade at Potsdam WWTP (Tender 300C/2016/17)	12 620	1 500	5 227	5 227	5 227	5 227	–	–	–	–	–	–	35 027
Supply, support, maintenance of ICT Security related infrastructure, software, services and licensing (Tender 265S/2019/20)	–	–	5 204	5 739	5 500	5 500	–	–	–	–	–	–	21 944
Supply and Maintenance of Data Network Cabling (Tender 317S/2019/20)	–	–	9 309	9 753	9 672	–	–	–	–	–	–	–	28 735
Total Capital Expenditure Implication	454 378	615 044	456 172	213 384	184 866	94 457	9 150	–	–	–	–	–	2 027 451
Total Parent Expenditure Implication	3 772 692	1 356 621	1 251 869	1 033 152	1 009 064	927 755	401 407	172 742	166 654	137 245	–	–	10 229 200

Table 86 - Projects having future budgetary implications

Description	Project number	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Future Years	Total Project Cost
		Total	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand											
Capital Expenditure Obligation By Project											
Support Services: Community Services & Health: IT Modernisation	CPX.0013591	41 091	22 196	22 700	12 500	–	–	–	–	–	98 487
Corporate Project Programme & Portfolio Management: Integration and Enhancement	CPX.0009707	25 692	14 154	3 600	629	629	5 000	5 000	–	–	54 705
Information Systems & Technology: Broadband Infrastructure Programme	CPX/0017286	–	–	39 585	122 351	252 253	283 205	152 243	203 584	249 734	1 302 955
Information Systems & Technology: Customer Relations Management Software	CPX.0018732	–	–	–	–	34 381	22 541	–	–	–	56 922
Information Systems & Technology: Human Capital Management Software	CPX.0018758	–	–	–	16 112	37 218	–	–	–	–	53 329
Information Systems & Technology: New Integration Software	CPX.0018728	–	–	–	53 011	52 732	–	–	–	–	105 743
Information Systems & Technology: Public Protection and Disaster Response (PPDR) Radio Network Upgrade	CPX.0017151	–	–	78 522	–	–	–	–	–	–	78 522
Information Systems & Technology: Records and Document Management Software	CPX.0018729	–	–	–	63 274	27 321	–	–	–	–	90 595
Information Systems & Technology: Supply Chain Management Software	CPX.0018731	–	–	–	26 519	48 733	–	–	–	–	75 251
Organisational Performance Management: Contract Management System Integration	CPX.0017298	4 573	21 000	4 500	18 000	18 000	25 000	–	–	–	91 073
Facilities Management: Corporate Accommodation Area 3: Bellville	CPX.0017943	–	–	–	61 431	84 800	–	–	–	–	146 231
Facilities Management: Corporate Accommodation Area 3: Dulcie September Phase 1	CPX.0017942	–	–	2 000	50 000	40 000	–	–	–	–	92 000
Facilities Management: Facilities Upgrade Area 1: Corporate Head Quarters Phase 3	CPX.0022212	–	–	3 000	500	86 500	–	–	–	–	90 000
Facilities Management: Facilities Management Structural Rehabilitation	CPX/0000924	267 265	1 288	–	6 500	–	–	–	–	–	275 052
Electricity Generation & Distribution: Ground Mounted Photovoltaic (PV)	CPX.0014782	–	–	50 000	40 000	10 000	–	–	–	–	100 000
Electricity Generation & Distribution: Morgen Gronde Switching Station	CPX.0012407	2 115	–	11 003	133 947	3 400	–	–	–	–	150 465
Electricity Generation & Distribution: Oakdale Switching Station Upgrade Phase 3	CPX.0003624	19 346	–	–	–	57 348	119 090	–	–	–	195 785
Electricity Generation & Distribution: Outage Management System	C12.84078	51 108	3 270	1 500	1 500	1 500	1 500	–	–	–	60 378
Electricity Generation & Distribution: Paardevlei Switching Station	CPX.0014550	2 810	128 399	21 279	–	–	–	–	–	–	152 488
Electricity Generation & Distribution: Supervisory Control and Data Acquisition (SCADA)	CPX.0015294	–	–	55 000	–	–	–	–	–	–	55 000
Master Station Upgrade											
Electricity Generation & Distribution: Steenbras: Refurbishment of Main Plant	C14.84071	10 419	–	–	67 700	338 500	285 500	437 300	–	–	1 139 419
Electricity Generation & Distribution: Bellville South Main Substation Upgrade	CPX.0004793	–	–	–	22 790	53 800	–	–	–	–	76 590
Electricity Generation & Distribution: Triangle 132 kilovolt (kV) Upgrade	CPX.0022539	–	–	7 050	110 250	131 520	41 660	–	–	–	290 480
Supply Chain Management: E-Tendering System	CPX.0009401	319	–	9 700	73 000	–	–	–	–	–	83 019
Housing Development: Airports Company of South Africa (ACSA) Symphony Housing Project Construction	CPX.0017201	–	5 000	65 000	70 000	112 000	54 135	–	–	–	306 135
Housing Development: Aloe Ridge Housing Project	CPX.0014608	867	3 800	8 500	20 000	20 854	–	–	–	–	54 021
Housing Development: Beacon Valley Housing Project - Mitchells Plain	CPX.0005672	4 793	25 212	40 000	40 000	–	–	–	–	–	110 005
Housing Development: Blue Berry Hill Housing Project	CPX.0008063	6 458	4 164	2 911	42 302	10 000	91 689	103 493	–	–	261 018
Housing Development: Conradie Housing Development	CPX/0014824	69 540	75 261	12 764	–	–	–	–	–	–	157 566
Housing Development: Delft - The Hague Housing Project	C08.15508	56 210	3 600	2 500	2 500	–	–	–	–	–	64 810
Housing Development: Erf 5113 Strand Housing Project Civil	CPX.0019820	–	169	2 500	3 646	2 377	2 500	300	500	159 000	170 991
Housing Development: Forest Village Housing Project	CPX.0009026	358 236	3 705	991	–	–	–	–	–	–	362 932
Housing Development: Greenville Housing Project Phase 4	CPX.0019597	–	12 000	17 500	13 000	20 000	–	–	–	–	62 500

Table continues on next page

Description	Project number	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Future Years	Total Project Cost
		Total	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand											
Capital Expenditure Obligation By Project											
Housing Development: Gugulethu Infill Project Erf 8448/MauMau	C09.15515	32 587	10 215	7 795	–	–	–	–	–	–	50 597
Housing Development: Imizamo Yethu Housing Project (Phase 3)	CPX.0003139	3 694	36 600	11 825	1 000	–	–	–	–	–	53 119
Housing Development: Langa Hostels Community Rental Units (CRU) Project: Special Quarters	CPX.0010624	5 722	1 978	5 302	28 502	36 552	101 000	–	–	–	179 056
Housing Development: Langa Hostels Community Rental Units Project: New Flats	CPX.0010625	5 599	201	6 164	19 113	18 500	56 200	–	–	–	105 777
Housing Development: Langa Hostels Community Rental Units (CRU) Project: Siyahlala	CPX.0010626	700	33	100	10 000	9 241	53 306	–	–	–	73 380
Housing Development: Macassar Breaking New Grounds (BNG) Housing Project	CPX.0005674	26 950	48 610	40 000	46 800	32 297	–	–	–	–	194 658
Housing Development: Maroela Housing Project - South	CPX.0009186	35 603	10 288	10 600	900	–	–	–	–	–	57 391
Housing Development: Nooiensfontein Housing Project	CPX.0014611	939	3 000	2 546	22 000	25 310	25 000	25 000	25 000	–	128 795
Housing Development: Rusthoff Infill Housing Project	CPX.0014609	850	4 033	6 069	33 417	10 726	–	–	–	–	55 095
Housing Development: Sir Lowry's Pass Village Housing Project	CPX.0009187	1 010	580	30 766	23 081	–	–	–	–	–	55 437
Housing Development: Strandfontein Integrated Housing	CPX.0014612	103	1 570	1 500	13 000	30 000	21 000	2 050	–	–	69 223
Housing Development: Valhalla Park Integrated Housing Project	CPX.0002700	50 389	4 000	3 000	1 100	–	–	–	–	–	58 489
Housing Development: Vlakteplaas Housing Project	CPX.0008076	5 800	2 523	1 964	13 673	10 000	138 000	171 678	164 000	–	507 637
Informal Settlements: Gugulethu - Airport Precinct Land Rehabilitation	CPX.0012155	–	–	10 000	61 452	60 000	–	–	–	–	131 452
Informal Settlements: Gugulethu: Airport Precinct Informal Settlement	CPX.0017338	–	–	10 000	112 190	80 732	–	–	–	–	202 921
Informal Settlements: Informal Settlement Upgrade - Enkanini	CPX.0005816	5 851	5 219	47 954	60 500	70 500	71 523	72 523	63 523	–	397 593
Informal Settlements: Informal Settlements Upgrade: Enkanini South Temporary Relocation Accommodation (TRA)	CPX.0018910	–	10 100	24 000	24 000	30 000	–	–	–	–	88 100
Informal Settlements: Imizamo Yethu Informal Settlement Emergency Project	CPX.0010896	38 784	20 579	15 000	–	–	–	–	–	–	74 363
Informal Settlements: Kosovo Informal Settlement	CPX.0017416	55 906	68 266	63 328	96 092	57 007	–	–	–	–	340 600
Informal Settlements: Internal Services: Monwabisi Park	CPX.0005817	4 190	10 000	25 000	30 000	25 000	–	–	–	–	94 190
Fire Services: Langa Fire Station	CPX.0009145	–	–	4 000	26 500	27 000	–	–	–	–	57 500
Management: Safety & Security: Emergency Policing and Incident Command (EPIC) 2.1: Contravention System	CPX.0021886	–	–	19 000	15 000	16 500	18 150	–	–	–	68 650
Management: Safety & Security: Emergency Policing and Incident Command (EPIC) 1.1:Computer Aided Dispatch System	CPX.0021901	–	–	13 619	14 300	15 730	17 303	–	–	–	60 952
Metropolitan Police Services: Property Improvement Training College	CPX.0016148	52	13 379	4 270	47 520	–	–	–	–	–	65 221
Law Enforcement, Traffic & Coordination: Law Enforcement Volunteer Base	CPX.0005551	5 205	–	10 000	14 168	50 570	20 210	–	–	–	100 153
Environmental Management: Monwabisi Beach Precinct Upgrade	CPX.0016763	–	–	3 000	10 000	25 000	10 000	33 500	–	–	81 500
Environmental Management: Strand Sea Wall Upgrade	CPX.0019378	700	789	–	–	8 382	442	53 847	64 822	48 180	177 162
Environmental Management: Table View Beachfront Upgrade	CPX.0016765	–	3 005	15 051	30 701	28 868	–	–	–	–	77 625
Infrastructure Implementation: Buttskop Road Upgrading	C07.00507	4 041	6 109	1 400	1 400	62 000	52 000	–	–	–	126 950
Infrastructure Implementation: Congestion Relief - Erica Drive	CPX.0007892	8 664	656	1 400	32 000	50 000	75 000	–	–	–	167 720
Infrastructure Implementation: Dualling: Main Road 27 to Altena Road	CPX.0014563	–	700	15 000	30 000	7 000	–	–	–	–	52 700
Infrastructure Implementation: Dualling: Jip De Jager: Kommissaris Street - Van Riebeeckshof Road	CPX.0017953	–	400	24 600	42 800	–	–	–	–	–	67 800
Infrastructure Implementation: Grassy Park Non Motorised Transport (NMT)	CPX.0009243	2 040	10 000	45 682	13 503	–	–	–	–	–	71 225

Table continues on next page

Description	Project number	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Future Years	Total Project Cost
		Total	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand											
Capital Expenditure Obligation By Project											
Infrastructure Implementation: Integrated Bus Rapid Transit System	CPX/0000287	402 685	5 846	33 726	21 185	59 600	–	–	–	–	523 043
Infrastructure Implementation: Integrated Rapid Transit (IRT) Phase 2 A	CPX/0000257	908 677	229 300	1 408 085	1 368 871	857 927	453 442	46 020	78 673	195 649	5 546 644
Infrastructure Implementation: Retreat Public Transport Interchange	C11.10537	3 347	1 000	29 500	31 800	–	–	–	–	–	65 647
Infrastructure Implementation: Road Construction:Saxdowns Langverwacht and Van Riebeeck Roads	CPX.0007859	5 213	1 800	1 400	30 000	41 000	–	–	–	–	79 413
Infrastructure Implementation: Road Dualling: Berkley Road: M5 to Ryger Street	CPX.0010483	4 984	604	11 000	1 400	50 000	50 000	–	–	–	117 987
Infrastructure Implementation: Road Upgrade: Amandel Road: Bottelary Bottelary River bridge - Church Street	CPX.0007857	3 651	800	20 000	35 000	15 000	–	–	–	–	74 451
Infrastructure Implementation: Road Upgrade: Voortrekker Road: Salt River Canal to Jakes Gerwel Drive	CPX.0010465	5 244	1 800	3 000	3 000	30 000	50 000	–	–	–	93 044
Infrastructure Implementation: Smart Technologies at Public Transport Interchanges	CPX.0014833	96 024	60 572	38 400	27 236	49 510	–	–	–	–	271 742
Infrastructure Implementation: Somerset West Public Transport Interchanges	C11.10552	10 464	1 156	33 700	43 700	12 700	–	–	–	–	101 721
Infrastructure Implementation: Wynberg: Public Transport Hub	C11.10541	1 607	1 000	1 500	1 000	40 000	50 000	50 000	50 000	–	195 107
Infrastructure Implementation: Dunoon Taxi Terminus	C11.10536	17 491	30 580	2 500	–	–	–	–	–	–	50 571
Public Transport Operations: Integrated Rapid Transit (IRT): Control Centre	CPX.0008858	105 313	26 152	16 939	17 705	15 000	–	–	–	–	181 109
Public Transport Operations: Integrated Rapid Transit (IRT): Fare Collection	CPX.0008849	33 130	6 000	10 000	10 000	15 000	–	–	–	–	74 130
Roads Infrastructure & Management: Road Rehabilitation: Bishop Lavis	CPX.0013213	–	500	18 000	21 900	10 000	–	–	–	–	50 400
Road Rehabilitation: Bonteheuwel/Uitsig	CPX.0013218	–	500	13 000	32 000	6 000	–	–	–	–	51 500
Road Rehabilitation: Broadlands	CPX.0018273	–	–	250	500	37 500	46 144	–	–	–	84 394
Roads Infrastructure & Management: Road Rehabilitation: Hanover Park: Area 2	CPX.0013216	4 433	5 314	37 000	5 000	–	–	–	–	–	51 747
Roads Infrastructure & Management: Road Rehabilitation: Jakes Gerwel - N2 & N1	CPX.0014895	3 984	29 097	50 722	–	–	–	–	–	–	83 803
Roads Infrastructure & Management: Road Rehabilitation: Jakes Gerwel Frans Conradie-Viking	CPX.0018274	–	–	500	40 256	42 000	–	–	–	–	82 756
Solid Waste Management: Athlone Refuse Transfer Station (ARTS):Material Recovery Facility / Mechanical Biological Treatment (MBT)	CPX.0007847	937	4 615	12 578	43 529	196 317	18 959	–	–	–	276 935
Solid Waste Management: Bellville Transfer Station (BTS): Material Recovery Facility / Mechanical Biological Treatment (MBT)	CPX.0010026	–	–	–	–	3 600	–	10 000	10 000	160 000	183 600
Solid Waste Management: Coastal Park: Landfill Gas Infrastructure - Beneficiation	CPX.0011067	2 507	55 215	6 354	–	–	–	–	–	–	64 076
Solid Waste Management: Coastal Park: Design and Develop	CPX.0007924	3 899	65 866	18 521	–	–	–	–	–	–	88 286
Solid Waste Management: Coastal Park: Design and Develop Material Recovery Facility (MRF)	CPX.0007910	44 782	16 891	144 062	115 014	–	–	–	–	–	320 749
Solid Waste Management: Coastal Park: Landfill Gas Infrastructure to Flaring	CPX.0007923	28 394	6 714	5 000	5 000	5 000	5 000	5 000	–	–	60 109
Solid Waste Management: Coastal Park: Transfer Station New	CPX.0010025	–	–	12 500	15 600	118 400	74 500	–	–	–	221 000
Solid Waste Management: Helderberg: Design and Develop (drop-off)	CPX.0007908	6 091	1 030	–	–	34 424	33 667	–	–	–	75 213
Solid Waste Management: Killamey Drop-off Upgrade Waste Minimisation	CPX.0015242	638	1 360	83	48 658	7 741	–	–	–	–	58 480
Solid Waste Management: New Prince George Drop-off	CPX.0008859	6 786	51 653	34 317	–	–	–	–	–	–	92 756
Solid Waste Management: Vissershok North: Design and Develop Airspace	CPX.0007920	1 886	17 006	124 573	9 830	–	–	–	850	90 300	244 446
Solid Waste Management: Vissershok: Landfill Gas Infrastructure to Flaring	CPX.0007916	20 251	37 752	10 000	10 000	7 500	2 500	–	–	–	88 004
Solid Waste Management: Woodstock Depot Upgrade	CPX.0011066	2 429	1 425	36 605	35 870	50 297	32 467	–	–	–	159 092

Table continues on next page

Description	Project number	Preceding Years	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Future Years	Total Project Cost
		Total	Adjusted Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand											
Capital Expenditure Obligation By Project											
Water & Sanitation Services: Athlone Wastewater Treatment Works (WWTW)-Capacity Extension-Phase 1	CPX/0000479	64 422	100 600	136 172	86 000	65 000	70 000	240 000	430 000	300 000	1 492 194
Water & Sanitation Services: Atlantis Aquifer	CPX.0011032	123 908	107 016	20 000	90 000	112 000	71 000	21 814	–	26 801	572 539
Water & Sanitation Services: Bellville Wastewater Treatment Works (WWTW)	CPX/0000512	579 883	21 785	–	–	22 000	10 000	–	–	208 275	841 943
Water & Sanitation Services: Borchards Quarry Wastewater Treatment Works (WWTW)	CPX/0000471	362 482	10 300	–	–	6 000	12 000	–	–	34 798	425 580
Water & Sanitation Services: Bulk Water Augmentation Scheme	CPX/0000524	101 239	–	2 000	7 000	43 900	162 448	89 400	486 700	3 589 176	4 481 863
Water & Sanitation Services: Cape Flats Aquifer	CPX.0010520	541 308	137 243	40 000	40 000	256 000	138 000	65 000	122 000	36 526	1 376 076
Water & Sanitation Services: Cape Flats Aquifer Recharge	CPX.0013724	56 412	172 757	149 024	422 200	251 900	47 852	–	–	–	1 100 144
Water & Sanitation Services: Cape Flats Wastewater Treatment Works (WWTW)-Refurbish various Structures	CPX/0000533	171 252	32 600	6 360	202 500	473 000	423 211	142 131	55 000	101 789	1 607 843
Water & Sanitation Services: Contermanskloof Reservoir	CPX/0003850	101 246	67 000	99 676	8 158	–	–	–	–	14 188	290 269
Water & Sanitation Services: Fisantekraal Wastewater Treatment Works (WWTW)	CPX.0009633	12 884	–	2 000	3 000	20 000	2 130	–	–	32 870	72 884
Water & Sanitation Services: Flood Alleviation - Lourens River	CPX.0013019	28 975	200	19 632	20 710	–	–	–	–	5 264	74 780
Water & Sanitation Services: Flood Alleviation-Lourens River Phase II	CPX.0016672	–	–	3 305	10 081	1 186	2 669	84 204	81 514	341 369	524 327
Water & Sanitation Services: Helderberg/Faure Bulk Water Scheme	CPX/0009468	–	–	–	–	1 000	7 000	40 000	15 000	20 500	83 500
Water & Sanitation Services: Macassar Flood Alleviation	CPX.0016674	–	–	3 265	1 564	1 621	5 354	79 399	91 374	277 857	460 434
Water & Sanitation Services: Macassar Wastewater Treatment Works (WWTW) Extension	CPX/0000639	11 588	60	10 000	50 000	150 000	316 000	200 000	290 000	–	1 027 648
Water & Sanitation Services: Mitchells Plain Wastewater Treatment Works (WWTW) Phase 2	CPX/0000684	121 696	–	2 000	–	–	–	–	114 000	53 000	290 696
Water & Sanitation Services: OSEC (Electrolytic Chlorination Infrastructure)	CPX/0003892	32 623	–	–	–	15 000	5 000	11 000	5 000	7 000	75 623
Water & Sanitation Services: Potsdam Wastewater Treatment Works (WWTW) - Extension	CPX/0000681	51 250	13 000	379 000	473 411	836 400	26 670	54 519	–	324 190	2 158 440
Water & Sanitation Services: Sir Lowry's Pass River Upgrade	CPX.0012948	9 634	250	80 000	115 000	91 165	101 643	28 000	24 192	–	449 884
Water & Sanitation Services: Table Mountain Group Aquifer	CPX.0016654	153 000	173 000	75 000	80 000	120 000	245 000	188 000	181 000	292 000	1 507 000
Water & Sanitation Services: Wesfleur Aeration & Blower Replacement	CPX.0016426	–	550	21 300	39 700	2 600	–	–	–	–	64 150
Water & Sanitation Services: Zandvliet Plant Re-use (50ML)	CPX.0014007	36 801	16 120	7 595	24 321	550 000	800 000	500 000	322 000	601 000	2 857 837
Water & Sanitation Services: Zandvliet Wastewater Treatment Works (WWTW)-Extension	CPX/0000628	781 497	552 272	347 500	100 000	100 000	–	–	–	175 228	2 056 497
Water & Sanitation Services: Advanced Metering Infrastructure (AMI) Rollout Programme	CPX.0019987	–	–	10 000	165 000	200 000	280 000	280 000	280 000	1 120 000	2 335 000
Water & Sanitation Services: Bulk Reticulation Sewers in Milnerton Rehabilitation	CPX/0006478	–	2 000	7 400	70 229	65 000	85 000	56 000	15 000	–	300 629
Water & Sanitation Services: Cape Flats Rehabilitation	CPX/0000532	27 363	85 500	134 410	119 744	206 000	80 300	–	–	329 414	982 731
Water & Sanitation Services: Gordon's Bay Sewer Rising Main	CPX.0009432	–	1 300	3 670	1 570	70 000	80 000	–	–	–	156 540
Water & Sanitation Services: Philippi Collector Sewer	CPX/0000679	2 887	1 600	5 000	5 000	95 940	96 376	84 697	–	–	291 500
Water & Sanitation Services: Retreat Low Lift Pump station	CPX.0008876	40 095	24 488	–	–	5 416	–	–	–	–	70 000
Water & Sanitation Services: Upgrade Rietvlei Sewer Pump Station	CPX.0010643	–	–	2 200	27 500	115 250	21 250	–	–	–	166 200
Water & Sanitation Services: Water Supply at Baden Powell Drive to Khayelitsha	C12.86082	46 739	85 186	41 721	–	–	–	–	–	–	173 645

2.16 Details of expenditure by asset class

Table 87 - MBRR Table SA34a - Capital expenditure on new assets by asset class

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	1 899 072	1 795 398	1 756 487	3 558 355	2 458 827	2 407 320	3 509 871	3 518 360	4 018 717
Roads Infrastructure	601 711	587 481	509 029	1 422 501	566 295	543 673	1 848 230	1 675 160	1 170 215
Roads	601 711	587 481	509 029	1 422 501	566 295	543 673	1 848 230	1 675 160	1 170 215
Storm water Infrastructure	103 566	98 758	129 716	144 887	121 265	130 469	155 165	161 169	190 398
Drainage Collection	103 566	98 758	129 716	144 887	121 265	130 469	155 165	161 169	190 398
Electrical Infrastructure	426 255	319 606	186 867	463 936	426 664	416 813	346 389	405 320	335 669
Power Plants	–	–	–	3 000	3 000	–	–	–	–
HV Substations	339 210	261 124	149 153	399 936	362 701	354 421	266 925	329 820	267 169
MV Networks	43 044	(145)	5 205	–	–	–	–	–	–
LV Networks	44 000	58 627	32 509	61 000	60 962	62 392	79 465	75 500	68 500
Water Supply Infrastructure	433 731	519 126	686 393	672 970	749 752	748 214	446 177	398 961	770 527
Reservoirs	280 855	387 712	491 198	462 776	490 849	484 259	236 676	227 246	564 063
Water Treatment Works	–	1 491	6 752	5 200	–	–	–	4 500	5 000
Bulk Mains	74 417	41 936	20 862	51 165	50 471	50 000	46 000	45 000	66 000
Distribution	78 459	87 966	167 581	153 830	208 432	213 955	163 501	122 215	135 464
Sanitation Infrastructure	110 946	187 147	160 537	403 632	301 349	306 702	276 400	570 736	1 029 304
Reticulation	109 747	88 907	110 747	148 566	112 472	117 826	119 781	124 215	224 404
Waste Water Treatment Works	1 199	96 932	49 790	255 066	188 876	188 876	156 619	446 521	804 900
Outfall Sewers	–	1 308	–	–	–	–	–	–	–
Solid Waste Infrastructure	65 287	13 523	60 885	400 302	259 391	225 338	376 760	228 702	367 442
Landfill Sites	65 287	13 523	60 885	400 302	259 391	225 338	376 760	228 702	367 442
Coastal Infrastructure	–	–	–	764	336	336	2 000	8 644	–
Promenades	–	–	–	764	336	336	2 000	8 644	–
Information and Communication Infrastructure	157 577	69 757	23 060	49 363	33 775	35 775	58 749	69 667	155 163
Data Centres	157 577	69 757	23 060	49 363	33 775	35 775	58 749	69 667	155 163
Community Assets	218 957	295 414	206 170	227 789	212 068	222 584	256 504	304 320	315 742
Community Facilities	217 809	294 880	205 512	226 754	209 596	221 112	252 504	304 320	315 742
Halls	–	–	144	–	111	111	100	–	–
Centres	–	–	–	14	–	–	2	40 000	40 000
Clinics/Care Centres	34 182	37 750	12 374	39 856	12 982	15 634	21 259	7 000	2 000
Fire/Ambulance Stations	12 657	17 103	2 327	1 500	792	792	4 000	26 500	27 000
Testing Stations	1 345	–	–	–	–	–	–	–	–
Museums	99	2 951	77	44	44	44	–	–	–
Theatres	–	–	51	–	69	69	–	–	–
Libraries	19 746	8 366	59	3 875	–	–	10 141	10 350	10 764
Cemeteries/Crematoria	9 362	6 237	11 730	–	2 972	2 950	–	500	2 000
Public Open Space	832	291	1 261	4 179	238	238	–	500	–
Nature Reserves	15 044	1 280	841	20 997	24 051	19 126	14 302	31 533	23 968
Markets	–	–	316	654	774	774	1 150	–	–
Taxi Ranks/Bus Terminals	124 542	220 903	176 333	155 636	167 564	181 375	201 550	187 936	210 010
Sport and Recreation Facilities	1 149	534	658	1 035	2 472	1 472	4 000	–	–
Outdoor Facilities	1 149	534	658	1 035	2 472	1 472	4 000	–	–
Heritage assets	–	–	–	30	30	30	–	–	–
Works of Art	–	–	–	30	30	30	–	–	–
Other assets	214 884	99 421	109 752	350 005	136 800	107 254	110 371	151 864	250 233
Operational Buildings	206 772	80 599	102 237	312 591	102 218	90 165	98 805	94 248	184 541
Municipal Offices	155 586	31 618	70 167	280 628	77 564	74 814	87 805	88 563	105 275
Laboratories	–	8 222	–	–	–	–	–	–	–
Training Centres	730	–	–	–	–	–	–	–	–
Depots	50 456	40 760	32 070	31 963	24 654	15 351	11 000	5 685	79 265
Housing	8 113	18 822	7 515	37 414	34 582	17 089	11 566	57 615	65 692
Social Housing	8 113	18 822	7 515	37 414	34 582	17 089	11 566	57 615	65 692
Intangible Assets	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Licences and Rights	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Computer Software and Applications	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Computer Equipment	214 178	127 174	74 763	142 907	143 072	125 616	91 445	77 641	59 474
Computer Equipment	214 178	127 174	74 763	142 907	143 072	125 616	91 445	77 641	59 474
Furniture and Office Equipment	104 912	101 777	98 220	159 477	195 028	186 508	134 152	102 523	93 230
Furniture and Office Equipment	104 912	101 777	98 220	159 477	195 028	186 508	134 152	102 523	93 230
Machinery and Equipment	139 739	36 812	52 524	50 358	52 364	71 059	70 203	65 330	54 372
Machinery and Equipment	139 739	36 812	52 524	50 358	52 364	71 059	70 203	65 330	54 372
Transport Assets	68 313	155 011	207 284	124 713	92 635	73 135	22 600	11 125	86 060
Transport Assets	68 313	155 011	207 284	124 713	92 635	73 135	22 600	11 125	86 060
Land	1 511	5 157	38 644	33 000	21 162	21 162	21 000	15 900	13 664
Land	1 511	5 157	38 644	33 000	21 162	21 162	21 000	15 900	13 664
Total Capital Expenditure on new assets	2 865 259	2 627 456	2 569 335	4 674 148	3 326 133	3 231 118	4 238 795	4 485 877	5 097 002

Table 88 - MBRR Table SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	1 007 807	833 539	809 834	1 345 496	1 044 603	1 001 849	1 265 835	1 696 125	2 553 249
Roads Infrastructure	129 464	123 380	116 938	172 641	137 838	116 962	178 832	167 638	175 749
Roads	129 464	123 380	116 938	172 641	137 838	116 962	178 832	167 638	175 749
Storm water Infrastructure	34 565	27 376	16 684	54 608	20 488	20 488	22 047	29 304	30 861
Drainage Collection	34 565	27 376	16 684	54 608	20 488	20 488	22 047	29 304	30 861
Electrical Infrastructure	322 032	301 112	271 821	430 377	296 700	275 778	405 796	474 092	759 750
HV Substations	71 655	70 633	89 337	97 023	77 902	66 255	106 948	185 112	434 750
MV Substations	81 192	18 328	4 476	59 250	30 000	29 955	44 000	46 000	88 000
MV Networks	137 565	169 030	142 310	227 641	143 298	143 298	209 848	198 981	193 000
LV Networks	31 619	43 122	35 697	46 463	45 500	36 270	45 000	44 000	44 000
Water Supply Infrastructure	415 558	245 200	214 005	297 000	299 000	305 590	369 820	446 100	444 267
Reservoirs	26 847	–	197	–	–	–	–	–	–
Bulk Mains	25 337	27 999	48 822	73 000	84 000	90 590	80 000	60 600	100 000
Distribution	363 374	217 201	164 986	224 000	215 000	215 000	289 820	385 500	344 267
Sanitation Infrastructure	96 530	132 652	188 287	383 301	284 906	277 361	282 966	539 743	1 075 449
Pump Station	89	8 288	54 353	25 032	37 291	39 827	27 200	45 500	145 744
Reticulation	4 848	38 034	46 992	224 527	168 232	80 503	216 930	242 043	409 106
Waste Water Treatment Works	81 593	69 421	84 647	133 742	79 384	71 531	38 836	252 200	520 600
Outfall Sewers	10 000	16 908	2 296	–	–	85 500	–	–	–
Solid Waste Infrastructure	–	–	189	–	–	–	–	–	10 000
Landfill Sites	–	–	189	–	–	–	–	–	10 000
Coastal Infrastructure	4 671	–	–	–	–	–	–	–	–
Promenades	4 671	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	4 988	3 819	1 911	7 569	5 671	5 671	6 375	39 248	57 173
Data Centres	4 988	3 819	1 911	7 569	5 671	5 671	6 375	39 248	57 173
Community Assets	7 471	3 774	8 320	33 648	49 748	44 867	28 700	23 447	16 825
Community Facilities	7 033	3 774	8 320	31 748	39 963	35 238	22 200	23 447	16 825
Halls	–	–	–	4 768	4 768	1 814	7 000	7 615	–
Centres	3 452	–	–	–	–	–	–	5 199	–
Clinics/Care Centres	499	1 172	–	5 000	734	734	–	–	4 225
Libraries	2 352	1 992	–	–	–	–	–	–	–
Public Open Space	730	610	781	1 000	881	881	500	484	100
Markets	–	–	–	–	6 800	6 800	10 700	8 400	–
Taxi Ranks/Bus Terminals	–	–	7 538	20 980	26 780	25 009	4 000	1 750	12 500
Sport and Recreation Facilities	439	–	–	1 900	9 785	9 629	6 500	–	–
Outdoor Facilities	439	–	–	1 900	9 785	9 629	6 500	–	–
Heritage assets	430	5 074	988	1 257	902	902	744	1 550	–
Monuments	430	5 074	988	1 257	902	902	744	1 550	–
Other assets	44 688	70 090	138 715	178 651	149 324	140 693	94 401	96 991	91 245
Operational Buildings	24 525	20 078	11 322	53 389	37 628	30 878	37 272	27 196	21 450
Municipal Offices	19 850	11 282	8 423	50 705	36 182	28 928	35 072	25 845	19 050
Laboratories	–	299	199	345	345	345	300	400	400
Depots	4 676	8 497	2 700	2 339	1 101	1 604	1 900	951	2 000
Housing	20 163	50 012	127 394	125 261	111 696	109 815	57 129	69 795	69 795
Social Housing	20 163	50 012	127 394	125 261	111 696	109 815	57 129	69 795	69 795
Intangible Assets	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Licences and Rights	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Computer Software and Applications	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Computer Equipment	77 592	119 334	120 529	111 499	140 596	137 453	62 803	44 422	44 583
Computer Equipment	77 592	119 334	120 529	111 499	140 596	137 453	62 803	44 422	44 583
Furniture and Office Equipment	16 088	19 452	37 381	27 827	25 105	23 005	39 587	12 663	11 510
Furniture and Office Equipment	16 088	19 452	37 381	27 827	25 105	23 005	39 587	12 663	11 510
Machinery and Equipment	56 922	62 916	5 474	67 398	29 442	18 496	58 812	57 175	58 000
Machinery and Equipment	56 922	62 916	5 474	67 398	29 442	18 496	58 812	57 175	58 000
Transport Assets	302 131	375 447	575 088	602 555	598 323	609 574	363 793	331 591	357 791
Transport Assets	302 131	375 447	575 088	602 555	598 323	609 574	363 793	331 591	357 791
Total Capital Expenditure on renewal of existing assets	1 516 941	1 498 780	1 702 820	2 377 329	2 047 520	1 986 318	1 926 675	2 275 963	3 144 202
Renewal of Existing Assets as % of total capex	124.2%	28.2%	28.5%	24.7%	27.8%	27.8%	23.2%	25.0%	27.4%
Renewal of Existing Assets as % of deprecn"	58.9%	52.9%	58.2%	72.0%	71.8%	69.7%	63.9%	74.2%	98.9%

Table 89 - MBRR Table SA34c - Repairs and maintenance expenditure by asset class

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Repairs and maintenance expenditure by Asset Class/Sub-class	2 000 480	1 889 711	1 858 022	2 074 290	1 881 078	1 878 328	2 079 007	2 174 391	2 272 002
Infrastructure									
Roads Infrastructure	588 798	596 375	555 000	756 245	584 660	584 660	637 154	666 464	696 456
Roads	588 798	596 375	555 000	756 245	584 660	584 660	637 154	666 464	696 456
Storm water Infrastructure	–	–	–	126 779	92 428	92 428	140 345	146 801	153 408
Drainage Collection	–	–	–	126 779	92 428	92 428	140 345	146 801	153 408
Electrical Infrastructure	484 296	507 109	474 450	518 758	519 720	519 720	542 654	567 553	593 043
Power Plants	17 371	19 690	18 202	18 299	18 299	18 299	19 286	20 173	21 081
HV Substations	31 369	35 464	35 903	28 350	28 915	28 915	27 042	28 285	29 556
MV Substations	363 016	329 468	293 643	335 065	336 219	336 219	353 961	370 185	386 801
LV Networks	72 540	122 487	126 702	137 043	136 287	136 287	142 365	148 910	155 606
Water Supply Infrastructure	487 625	400 456	389 894	346 775	340 310	339 019	411 499	430 425	449 789
Boreholes	–	–	–	–	–	–	–	–	–
Reservoirs	42 334	24 249	33 698	31 229	29 190	29 190	49 366	51 635	53 957
Pump Stations	35 191	24 840	37 428	43 263	32 003	28 334	39 826	41 659	43 534
Water Treatment Works	55 782	39 571	45 843	33 888	33 429	34 099	34 590	36 179	37 805
Bulk Mains	12 673	9 863	9 229	1 704	1 745	1 745	215	225	235
Distribution	341 644	301 932	263 696	236 691	243 944	245 652	287 502	300 727	314 259
Sanitation Infrastructure	437 208	384 042	437 293	316 303	329 747	328 288	334 708	350 104	365 854
Reticulation	309 711	312 669	315 603	180 925	180 760	179 301	171 428	179 315	187 384
Waste Water Treatment Works	121 183	68 247	117 798	123 320	143 398	143 398	157 461	164 702	172 110
Outfall Sewers	6 314	3 127	3 892	12 057	5 589	5 589	5 819	6 087	6 361
Solid Waste Infrastructure	2 553	1 728	1 384	7 281	9 119	9 119	8 653	9 051	9 458
Landfill Sites	2 553	1 728	1 384	7 281	9 119	9 119	8 653	9 051	9 458
Coastal Infrastructure	–	–	–	2 150	5 094	5 094	3 994	3 994	3 994
Promenades	–	–	–	2 150	5 094	5 094	3 994	3 994	3 994
Community Assets	496 660	483 865	478 847	759 739	433 120	438 629	295 941	307 066	318 414
Community Facilities	117 431	120 476	116 996	699 726	361 728	367 237	228 329	236 351	244 524
Halls	46 195	56 324	53 214	12 876	29 322	29 322	21 624	21 879	22 140
Centres	8 356	8 697	9 218	7 272	7 405	8 270	7 713	7 829	7 948
Clinics/Care Centres	16 468	12 883	18 518	8 902	7 830	12 474	7 820	7 920	8 021
Fire/Ambulance Stations	2 031	2 739	1 302	2 931	2 500	2 500	2 512	2 535	2 558
Testing Stations	–	–	–	10 246	9 809	9 809	9 940	9 995	10 051
Libraries	15 861	14 223	10 468	5 409	4 189	4 189	3 804	3 977	4 153
Cemeteries/Crematoria	12 813	10 482	8 224	22 271	13 502	13 502	10 720	11 198	11 687
Public Open Space	–	–	–	610 674	267 692	267 692	144 909	151 609	158 430
Nature Reserves	5 346	4 721	5 004	3 106	3 444	3 444	3 141	3 143	3 145
Public Ablution Facilities	10 129	8 887	7 413	13 267	13 229	13 229	13 323	13 419	13 517
Markets	234	1 520	3 635	2 772	2 806	2 806	2 822	2 847	2 873
Sport and Recreation Facilities	379 229	363 389	361 851	60 013	71 392	71 392	67 613	70 715	73 890
Indoor Facilities	781	158	175	46 483	8 460	8 460	8 732	9 132	9 542
Outdoor Facilities	378 448	363 231	361 676	13 530	62 932	62 932	58 881	61 583	64 348
Heritage assets	730	266	219	2 666	5 229	5 246	1 912	1 941	1 971
Works of Art	730	266	219	2 666	5 229	5 246	1 912	1 941	1 971
Investment properties	20 726	3 459	209	355	280	280	10 107	10 561	11 025
Revenue Generating	229	132	57	338	271	271	10 096	10 550	11 014
Improved Property	229	132	57	338	271	271	10 096	10 550	11 014
Non-revenue Generating	20 497	3 328	152	17	9	9	11	11	11
Unimproved Property	20 497	3 328	152	17	9	9	11	11	11
Other assets	143 284	161 132	125 817	228 385	290 326	285 683	204 823	209 570	215 466
Operational Buildings	143 284	161 132	125 817	225 448	277 419	272 776	189 833	194 580	200 475
Municipal Offices	141 313	159 427	124 646	210 881	264 703	260 059	174 611	179 454	184 410
Laboratories	1 628	1 393	1 093	2 088	2 082	2 082	2 039	2 133	2 229
Training Centres	331	271	72	719	597	597	701	733	766
Depots	12	41	5	11 760	10 038	10 038	12 482	12 260	13 070
Housing	–	–	–	2 937	12 907	12 907	14 990	14 990	14 990
Social Housing	–	–	–	2 937	12 907	12 907	14 990	14 990	14 990
Computer Equipment	246 521	214 045	159 862	458 620	377 932	380 516	427 869	432 191	449 123
Computer Equipment	246 521	214 045	159 862	458 620	377 932	380 516	427 869	432 191	449 123
Furniture and Office Equipment	430 696	557 451	690 643	569 056	683 121	683 995	770 057	801 511	834 041
Furniture and Office Equipment	430 696	557 451	690 643	569 056	683 121	683 995	770 057	801 511	834 041
Machinery and Equipment	–	–	–	2 512	2 665	2 665	2 069	2 159	2 252
Machinery and Equipment	–	–	–	2 512	2 665	2 665	2 069	2 159	2 252
Transport Assets	470 969	470 466	394 655	479 775	400 687	400 687	461 100	482 006	503 500
Transport Assets	470 969	470 466	394 655	479 775	400 687	400 687	461 100	482 006	503 500
Total Repairs and Maintenance Expenditure	3 810 065	3 780 395	3 708 274	4 575 398	4 074 439	4 076 028	4 252 885	4 421 396	4 607 792
R&M as a % of PPE	8.8%	8.3%	7.6%	8.2%	7.6%	7.6%	0.0%	7.5%	7.1%
R&M as % Operating Expenditure	11.6%	10.5%	9.3%	10.2%	9.2%	9.2%	0.0%	9.2%	9.1%

Table 90 - MBRR Table SA34d - Depreciation by asset class

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Depreciation by Asset Class/Sub-class									
Infrastructure	1 144 192	1 254 022	1 392 681	1 471 459	1 172 485	1 172 485	1 267 358	1 347 811	1 420 096
Roads Infrastructure	328 532	359 467	370 522	431 510	423 765	423 765	470 598	496 110	516 623
Roads	328 532	359 467	370 522	308 576	303 422	303 422	338 665	354 479	368 293
Road Structures	–	–	–	80 256	78 249	78 249	88 293	94 689	98 847
Road Furniture	–	–	–	42 678	42 095	42 095	43 639	46 942	49 483
Storm water Infrastructure	43 542	46 522	52 730	52 941	57 325	57 325	58 610	58 939	61 908
Drainage Collection	43 542	46 522	52 730	52 941	57 325	57 325	58 610	58 939	61 908
Electrical Infrastructure	222 834	246 946	262 423	262 272	249 522	249 522	263 112	277 623	283 692
Power Plants	6 959	6 957	6 956	6 955	7 933	7 933	7 933	7 933	7 887
HV Substations	19 357	20 514	18 931	–	–	–	–	–	–
HV Transmission Conductors	–	–	–	14 657	14 754	14 754	14 754	14 754	14 754
MV Substations	43 557	52 768	57 184	11 062	3 567	3 567	10 655	21 435	26 879
MV Switching Stations	–	–	–	57 568	59 379	59 379	60 046	60 046	60 045
MV Networks	96 594	103 470	107 375	120 020	114 176	114 176	117 440	122 091	126 452
LV Networks	56 368	63 237	71 976	52 010	49 714	49 714	52 284	51 365	47 675
Water Supply Infrastructure	212 271	236 904	300 822	314 553	163 778	163 778	184 784	200 330	217 389
Reservoirs	21 219	21 898	42 283	50 247	20 210	20 210	20 957	21 430	27 017
Pump Stations	4 850	5 459	5 466	5 307	5 384	5 384	5 345	5 332	5 310
Water Treatment Works	26 573	28 239	50 743	31 757	10 945	10 945	10 092	10 091	10 090
Bulk Mains	10 256	10 405	10 413	14 651	3 022	3 022	6 572	9 038	11 074
Distribution	149 373	170 903	191 916	212 590	124 218	124 218	141 818	154 438	163 897
Sanitation Infrastructure	243 107	266 016	279 184	296 681	156 269	156 269	164 781	182 257	186 165
Pump Station	5 766	7 130	6 988	8 562	6 963	6 963	8 377	9 799	9 950
Reticulation	145 333	157 546	158 804	158 582	53 173	53 173	56 968	60 337	63 840
Waste Water Treatment Works	83 326	88 511	100 549	116 725	91 823	91 823	95 125	107 811	108 066
Outfall Sewers	8 682	12 830	12 843	12 812	4 310	4 310	4 310	4 310	4 310
Solid Waste Infrastructure	57 111	45 630	51 002	37 136	36 451	36 451	34 129	38 033	55 615
Landfill Sites	57 111	45 630	51 002	37 136	36 451	36 451	34 129	38 033	55 615
Coastal Infrastructure	3 154	–	5 679	5 693	5 692	5 692	5 730	6 308	8 673
Promenades	3 154	–	5 679	5 693	5 692	5 692	5 730	6 308	8 673
Information and Communication Infrastructure	33 640	52 537	70 320	70 674	79 682	79 682	85 614	88 211	90 030
Data Centres	33 640	52 537	70 320	–	–	–	–	–	–
Core Layers	–	–	–	7 087	7 126	7 126	7 127	7 127	7 127
Distribution Layers	–	–	–	63 586	72 555	72 555	78 488	81 084	82 904
Community Assets	320 280	348 370	318 578	370 126	359 761	359 761	381 173	391 636	402 255
Community Facilities	101 990	129 027	103 102	166 545	158 963	158 963	170 682	180 207	190 007
Halls	2 701	2 727	3 360	4 158	3 639	3 639	3 925	4 331	4 980
Centres	3 760	3 835	3 631	52 262	51 795	51 795	54 692	57 975	59 251
Clinics/Care Centres	5 718	9 506	6 843	9 240	7 181	7 181	8 133	8 954	9 613
Fire/Ambulance Stations	1 695	1 696	2 294	2 708	2 685	2 685	2 716	2 716	2 716
Testing Stations	1 071	1 106	1 319	1 326	1 343	1 343	1 343	1 343	1 343
Museums	192	194	221	253	291	291	373	373	373
Theatres	47	112	112	179	112	112	112	112	112
Libraries	5 244	5 270	6 062	6 618	6 301	6 301	6 468	6 628	7 364
Cemeteries/Crematoria	3 186	3 256	3 443	4 082	4 348	4 348	4 507	4 507	6 856
Public Open Space	13 102	18 365	14 287	18 613	15 293	15 293	17 514	19 447	20 024
Nature Reserves	378	378	378	810	378	378	459	1 506	2 955
Public Ablution Facilities	1 894	2 350	2 406	2 946	2 572	2 572	2 687	2 687	2 686
Markets	1 499	1 586	1 648	1 642	1 675	1 675	1 697	1 707	1 707
Airports	4	4	4	4	4	4	4	4	4
Taxi Ranks/Bus Terminals	61 498	78 643	57 094	61 705	61 344	61 344	66 051	67 915	70 023
Sport and Recreation Facilities	218 289	219 343	215 476	203 581	200 798	200 798	210 491	211 429	212 248
Indoor Facilities	9 096	9 678	11 240	6 624	6 550	6 550	6 560	6 560	6 560
Outdoor Facilities	209 194	209 665	204 236	196 957	194 247	194 247	203 931	204 869	205 688

Table continues on next page

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
<u>Investment properties</u>	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714
Revenue Generating	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714
Improved Property	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714
<u>Other assets</u>	255 376	291 700	300 512	278 711	281 250	281 250	294 428	319 535	354 866
Operational Buildings	158 157	192 111	199 980	168 536	177 568	177 568	181 253	178 942	179 056
Municipal Offices	136 180	162 150	168 205	9 415	5 597	5 597	7 430	9 078	11 268
Workshops	–	–	–	35 591	33 068	33 068	37 175	39 185	39 834
Yards	212	212	212	–	–	–	–	–	–
Laboratories	124	295	637	–	–	–	–	–	–
Training Centres	289	289	289	303	289	289	303	329	329
Manufacturing Plant	–	–	–	6 976	7 213	7 213	7 213	7 213	7 213
Depots	21 351	29 165	30 637	116 251	131 401	131 401	129 132	123 136	120 412
Housing	97 219	99 589	100 532	110 175	103 683	103 683	113 176	140 593	175 810
Social Housing	97 219	99 589	100 532	110 175	103 683	103 683	113 176	140 593	175 810
<u>Intangible Assets</u>	154 677	147 789	154 454	155 441	163 326	163 326	141 627	105 236	94 845
Licences and Rights	154 677	147 789	154 454	155 441	163 326	163 326	141 627	105 236	94 845
Computer Software and Applications	84 496	77 609	84 274	85 261	93 145	93 145	91 465	93 960	90 209
Unspecified	70 180	70 180	70 180	70 180	70 180	70 180	50 162	11 276	4 636
<u>Computer Equipment</u>	231 464	223 929	222 912	237 579	227 818	227 818	221 972	202 655	191 788
Computer Equipment	231 464	223 929	222 912	237 579	227 818	227 818	221 972	202 655	191 788
<u>Furniture and Office Equipment</u>	117 869	124 655	114 165	106 149	108 979	108 979	115 877	109 102	114 947
Furniture and Office Equipment	117 869	124 655	114 165	106 149	108 979	108 979	115 877	109 102	114 947
<u>Machinery and Equipment</u>	57 576	110 232	110 969	125 782	130 063	130 063	134 643	131 335	128 547
Machinery and Equipment	57 576	110 232	110 969	125 782	130 063	130 063	134 643	131 335	128 547
<u>Transport Assets</u>	294 104	329 600	308 081	483 657	382 774	382 774	431 673	433 272	446 344
Transport Assets	294 104	329 600	308 081	483 657	382 774	382 774	431 673	433 272	446 344
<u>Land</u>	–	–	–	69 253	22 500	22 500	23 198	23 198	23 198
Land	–	–	–	69 253	22 500	22 500	23 198	23 198	23 198
<u>Zoo's, Marine and Non-biological Animals</u>	–	–	–	196	196	196	192	179	29
Zoo's, Marine and Non-biological Animals	–	–	–	196	196	196	192	179	29
Total Depreciation	2 577 251	2 832 012	2 924 066	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630

Table 91 - MBRR Table SA34e - Capital expenditure on the upgrading of existing assets by asset class

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	716 692	679 139	1 108 227	1 437 592	1 050 812	1 028 088	1 552 909	1 694 819	2 340 072
Roads Infrastructure	164 679	178 498	257 828	199 613	156 351	141 517	203 646	293 780	398 959
Roads	164 679	178 498	257 828	199 613	156 351	141 517	203 646	293 780	398 959
Storm water Infrastructure	8 219	4 893	17 916	110 247	24 579	22 817	114 453	183 850	153 939
Drainage Collection	8 219	4 893	17 916	110 247	24 579	22 817	114 453	183 850	153 939
Electrical Infrastructure	108 642	40 691	23 364	25 578	6 580	6 580	124 430	176 140	252 668
HV Substations	108 642	40 691	23 364	25 578	6 580	6 580	124 430	176 140	252 668
Water Supply Infrastructure	72 433	117 571	68 466	65 746	62 714	56 926	51 972	82 310	112 164
Reservoirs	5 028	4 892	12 127	7 685	7 685	4 954	3 000	3 000	4 584
Distribution	67 405	112 679	56 339	58 061	55 029	51 972	48 972	79 310	107 580
Sanitation Infrastructure	349 145	324 757	646 914	930 149	712 555	722 024	898 995	759 003	1 266 367
Pump Station	16 013	–	–	–	–	–	–	–	–
Reticulation	68 463	7 723	10 966	20 362	14 597	13 540	20 672	41 310	37 580
Waste Water Treatment Works	264 669	317 033	635 948	909 788	697 957	708 484	877 672	717 411	1 219 400
Outfall Sewers	–	–	–	–	–	–	651	282	9 386
Solid Waste Infrastructure	13 115	12 233	75 204	61 724	64 225	55 112	50 949	62 227	13 674
Landfill Sites	13 115	12 233	75 204	61 724	64 225	55 112	50 949	62 227	13 674
Coastal Infrastructure	458	496	1 222	28 580	8 973	8 873	42 421	100 701	92 600
Promenades	458	496	1 222	28 580	8 973	8 873	42 421	100 701	92 600
Information and Communication Infrastructure	–	–	17 314	15 954	14 835	14 241	66 043	36 807	49 701
Data Centres	–	–	17 314	15 954	14 835	14 241	66 043	36 807	49 701
Community Assets	174 890	239 082	253 443	621 273	541 330	517 602	254 014	236 315	224 889
Community Facilities	128 224	152 533	155 707	278 183	207 988	206 462	179 248	191 330	184 201
Halls	2 958	1 698	9 443	35 600	13 131	14 982	15 575	7 900	–
Centres	8 401	13 117	14 413	21 271	14 887	14 817	7 711	4 431	9 431
Clinics/Care Centres	9 261	39 572	58 140	46 174	45 113	47 001	35 000	35 550	16 250
Fire/Ambulance Stations	–	12 394	707	–	1 856	1 856	–	–	–
Testing Stations	2 141	–	–	–	–	–	–	–	–
Museums	2 221	302	–	4 200	4 016	4 016	7 000	–	–
Theatres	67	–	–	40	40	40	–	–	–
Libraries	4 032	7 819	7 396	8 650	7 143	7 143	1 082	17 702	8 855
Cemeteries/Crematoria	7 498	5 922	15 741	35 330	10 154	9 698	7 200	27 400	15 303
Public Open Space	65 784	40 940	30 628	76 194	70 946	65 037	60 910	43 600	36 650
Nature Reserves	215	10 569	2 140	6 024	3 648	3 647	6 176	7 947	41 062
Public Ablution Facilities	23 010	1 923	4 654	3 030	3 030	3 030	–	–	–
Markets	86	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	2 549	18 278	12 444	41 669	34 025	35 196	38 594	46 800	56 650
Sport and Recreation Facilities	46 666	86 550	97 737	343 091	333 342	311 141	74 766	44 986	40 689
Indoor Facilities	–	1 102	10 790	37 678	25 899	22 870	15 900	11 900	14 253
Outdoor Facilities	46 666	85 448	86 947	305 413	307 443	288 271	58 866	33 086	26 436
Heritage assets	7 580	1 293	17	17 466	32 038	32 038	–	–	–
Monuments	7 580	1 293	17	17 466	32 038	32 038	–	–	–
Other assets	287 830	225 124	290 856	390 615	298 421	268 570	284 351	383 205	620 233
Operational Buildings	207 604	187 922	240 895	381 565	281 277	251 425	283 148	383 205	620 233
Municipal Offices	160 508	87 537	158 925	241 149	151 483	143 279	181 476	256 012	345 874
Yards	–	76	180	13 307	11 479	10 665	17 587	34 643	146 771
Training Centres	43	–	–	600	600	600	700	–	–
Depots	47 053	100 309	81 790	126 509	117 714	96 882	83 385	92 550	127 588
Housing	80 226	37 201	49 961	9 050	17 144	17 144	1 203	–	–
Social Housing	80 226	37 201	49 961	9 050	17 144	17 144	1 203	–	–
Intangible Assets	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Licences and Rights	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Computer Software and Applications	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Computer Equipment	13 072	225	13 134	34 200	25 559	16 033	49 811	22 318	36 380
Computer Equipment	13 072	225	13 134	34 200	25 559	16 033	49 811	22 318	36 380
Furniture and Office Equipment	12 534	11 048	13 813	6 277	6 902	6 383	300	300	990
Furniture and Office Equipment	12 534	11 048	13 813	6 277	6 902	6 383	300	300	990
Machinery and Equipment	1 616	10 234	4 322	9 623	6 004	5 509	1 000	3 000	5 000
Machinery and Equipment	1 616	10 234	4 322	9 623	6 004	5 509	1 000	3 000	5 000
Total Capital Expenditure on upgrading of existing assets	1 221 419	1 190 054	1 698 513	2 554 397	2 002 245	1 922 773	2 149 297	2 348 708	3 234 915
Upgrading of Existing Assets as % of total capex	0.0%	22.4%	28.4%	26.6%	27.1%	26.9%	25.8%	25.8%	28.2%
Upgrading of Existing Assets as % of deprecn"	47.4%	42.0%	58.1%	77.4%	70.2%	67.4%	71.3%	76.6%	101.8%

2.17 Details of capital expenditure

Table 92 - MBRR Table SA35 - Future financial implication of the capital budget

Vote Description	2021/22 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Present value
R thousand							
<u>Capital expenditure</u>							
Vote 1 - Community Services & Health	299 732	234 255	149 803	2 500	–	–	–
Vote 2 - Corporate Services	248 768	398 624	562 244	337 746	159 243	203 584	–
Vote 3 - Economic Opportunities & Asset Managemnt	215 801	305 809	418 516	–	–	–	–
Vote 4 - Energy & Climate Change	1 014 657	1 162 227	1 486 852	467 405	441 300	–	–
Vote 5 - Finance	25 515	90 315	16 650	–	–	–	–
Vote 6 - Human Settlements	827 201	1 008 878	1 056 944	624 430	381 644	257 800	–
Vote 7 - Office of the City Manager	1 103	705	705	–	–	–	–
Vote 8 - Safety & Security	258 298	187 842	218 646	68 093	–	–	–
Vote 9 - Spatial Planning & Environment	141 722	221 453	263 653	68 924	87 497	64 822	–
Vote 10 - Transport	2 191 855	2 076 400	1 798 343	666 773	54 468	83 064	–
Vote 11 - Urban Management	46 729	86 577	92 577	–	–	–	–
Vote 12 - Water & Waste	3 043 384	3 337 462	5 411 185	3 041 026	2 223 761	2 498 467	–
Total Capital Expenditure	8 314 767	9 110 548	11 476 119	5 276 896	3 347 912	3 107 736	–
<u>Future operational costs by vote</u>							
Vote 1 - Community Services & Health	81 483	105 687	135 984	53 887	59 334	324	–
Vote 2 - Corporate Services	43 819	346 044	545 596	231 845	228 488	218 823	–
Vote 3 - Economic Opportunities & Asset Managemnt	23 511	59 448	105 252	18 206	16 907	16 509	–
Vote 4 - Energy & Climate Change	24 880	80 491	150 181	2 781	2 927	2 930	–
Vote 5 - Finance	1 154	7 334	29 003	126	136	147	–
Vote 6 - Human Settlements	4 913	58 183	97 181	96 642	96 642	110 892	–
Vote 7 - Office of the City Manager	458	769	1 060	642	743	754	–
Vote 8 - Safety & Security	34 334	69 110	84 120	31 179	28 767	26 919	–
Vote 9 - Spatial Planning & Environment	20 232	36 122	59 518	23 605	8 978	8 644	–
Vote 10 - Transport	33 116	112 757	206 511	148 359	147 320	148 363	–
Vote 11 - Urban Management	1 422	12 750	23 688	12 800	10 172	6 135	–
Vote 12 - Water & Waste	451 671	807 676	1 191 541	765 353	778 548	962 010	–
Total future operational costs	720 993	1 696 371	2 629 634	1 385 424	1 378 962	1 502 449	–
<u>Future revenue by source</u>							
Property rates	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	20 000	–
Service charges - sanitation revenue	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	–	–	–	–	–
List other revenues sources if applicable	12 258	17 419	20 008	22 887	25 444	27 101	–
Total future revenue	12 258	17 419	20 008	22 887	25 444	47 101	–
Net Financial Implications	9 023 501	10 789 500	14 085 745	6 639 433	4 701 430	4 563 085	–

Table 93 - MBRR Table SA37 - Projects delayed from previous financial year(s)

Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure Framework		
													Original Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																	
Community Services & Health	Recreation & Parks: Site B Synthetic Pitch	CPX.0004327	Upgrading	13	02	3.1	Sport and Recreation Facilities	Outdoor Facilities	92	18.6576188	-34.030508	2020/21	6 000	–	6 000	20 000	72 000
Community Services & Health	Recreation & Parks: Enkanini Integrated Recreation Facility	CPX.0011602	Upgrading	13	02	3.1	Community Facilities	Public Open Space	95	18.7007716	-34.055385	2020/21	68 704	–	118 144	99 994	29 946
Community Services & Health	Recreation & Parks: Site B Synthetic Pitch	CPX.0004327	Upgrade	13	02	3.1	Sport and Recreation Facilities	Outdoor Facilities	92	18.6576188	-34.030508	2020/21	500	–	3 500	–	–
Community Services & Health	Recreation & Parks: Enkanini Integrated Recreation Facility	CPX.0011602	Upgrade	13	02	3.1	Community Facilities	Public Open Space	95	18.7007716	-34.055385	2020/21	500	–	1 000	1 000	600
Community Services & Health	Recreation & Parks: Mandela Park Integrated Recreation Facility	CPX.0011603	Upgrade	13	02	3.1	Community Facilities	Public Open Space	97	18.6980304	-34.051716	2020/21	500	–	2 000	7 000	2 000
Community Services & Health	Planning & Development & PMO: Belhar Integrated Precinct	CPX.0014473	Upgrade	13	02	3.1	Community Facilities	Public Open Space	22	18.6255327	-33.945219	2020/21	500	–	500	3 000	3 000
Community Services & Health	Planning & Development & PMO: Philippi Integrated Precinct	CPX.0014474	Upgrade	13	02	3.1	Community Facilities	Public Open Space	34	18.5965909	-34.005654	2020/21	500	–	500	1 000	1 000
Energy & Climate Change	Electricity Generation & Distribution: Electrification - Imizamo Yethu	CPX.0011000	New	06	01	3.2	Electrical Infrastructure	HV Substations	74	18.3646041	-34.028405	2020/21	2 500	2 831	5 200	–	–
Safety & Security	Fire Services: Langa Fire Station	CPX.0009145	New	06	03	1.1	Community Facilities	Fire/Ambulance Stations	51	18.5301594	-33.945019	2020/21	1 500	–	4 000	26 500	27 000
Transport	Infrastructure Implementation: IRT Phase 2A	C13.10101	New	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.5983924	-34.022962	2020/21	871 739	–	1 208 770	563 248	18 796
Transport	Infrastructure Implementation: IRT Phase 2A: East	CPX.0007994	New	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.6197415	-34.025888	2020/21	10 728	18 553	13 500	18 202	34 089
Transport	Infrastructure Implementation: IRT Phase 2A: West	CPX.0007995	New	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.494643	-33.995765	2020/21	7 980	16 280	6 172	13 022	25 187
Transport	Infrastructure Implementation: IRT Phase 2A: Depots	CPX.0007996	New	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.5250189	-34.141156	2020/21	8 700	5 500	6 500	10 000	15 000
Transport	Infrastructure Implementation: Wynberg: Public Transport Hub	C11.10541	Upgrade	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.5671396	-34.016383	2020/21	5 000	6 906	3 500	4 200	2 100
Transport	Infrastructure Implementation: Wynberg: Public Transport Hub	C11.10541	Upgrade	06	02	4.2	Community Facilities	Taxi Ranks/Bus Terminals	63	18.4720411	-34.005049	2020/21	600	1 000	1 500	1 000	40 000
Transport	Infrastructure Implementation: Public Transport Facility: Makhaza:Bus Facility	CPX.0009345	New	06	02	4.2	Community Facilities	Taxi Ranks/Bus Terminals	95	18.7199117	-34.057915	2020/21	250	1 500	850	700	21 000
Transport	Infrastructure Implementation: IRT Ph2A: Depot Bld Works - Mitchells Plain and Khayelitsha	CPX.0015830	New	06	02	4.2	Roads Infrastructure	Roads	99	18.6545257	-34.046269	2020/21	17 000	–	80 000	270 000	134 000
Transport	Infrastructure Implementation: IRT Ph2A: AFC - Consultants	CPX.0015967	New	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.5250189	-34.141156	2020/21	6 914	5 355	9 000	7 934	9 000
Transport	Infrastructure Implementation: IRT Ph2A: APTMS - Consultants	CPX.0015969	New	06	02	4.2	Roads Infrastructure	Roads	City-Wide	18.5250189	-34.141156	2020/21	4 700	4 700	5 000	6 500	8 000
Transport	Infrastructure Implementation: IRT Ph2A: Non Motorised Transport	CPX.0016049	New	06	02	4.1	Roads Infrastructure	Roads	City-Wide	18.5250189	-34.141156	2020/21	5 520	–	1 000	20 000	75 000
Transport	Infrastructure Implementation: Public Transport Facility: Makhaza: Mini Bus/Taxi	C13.00053	New	06	02	4.2	Community Facilities	Taxi Ranks/Bus Terminals	96	18.7136132	-34.046702	2020/21	5 000	750	20 000	2 000	–
Transport	Infrastructure Implementation: Manenberg PTI	CPX.0016175	New	09	04	4.2	Community Facilities	Taxi Ranks/Bus Terminals	42	18.5586006	-33.992829	2020/21	300	300	1 000	2 000	10 000
Transport	Infrastructure Implementation: Nonqubela PTI	CPX.0016176	New	09	04	4.2	Community Facilities	Taxi Ranks/Bus Terminals	91	18.6637607	-34.02699	2020/21	800	1 800	2 000	10 000	15 000
Transport	Infrastructure Implementation: Samora Machel PTI	CPX.0016177	New	09	04	4.2	Community Facilities	Taxi Ranks/Bus Terminals	33	18.577222	-34.018829	2020/21	300	500	2 000	13 500	13 000
Transport	Infrastructure Implementation: IRT Ph2A: Nyanga PTI Precinct	CPX.0017686	Upgrade	06	02	4.1	Operational Buildings	Yards	37	18.5833265	-33.992616	2020/21	7 020	7 020	4 534	16 524	51 327
Transport	Infrastructure Implementation: IRT Ph2A: Nkulungile PTI Precinct	CPX.0017687	Upgrade	06	02	4.1	Operational Buildings	Yards	87	18.6489152	-34.015042	2020/21	3 622	2 275	5 332	5 225	42 821
Transport	Infrastructure Implementation: IRT Ph2A: Vuyani PTI Precinct	CPX.0017689	Upgrade	06	02	4.1	Operational Buildings	Yards	93	18.6812541	-34.038114	2020/21	1 828	1 163	3 211	2 776	7 696
Water & Waste	Water & Sanitation: Bulk Services: Macassar WWTW Extension	C12.86059	Upgrade	06	03	3.1	Sanitation Infrastructure	Waste Water Treatment Works	109	18.7672269	-34.075058	2020/21	6 000	–	6 000	20 000	72 000
Water & Waste	Water & Sanitation: Retail Services: Cape Flats Rehabilitation	CPX.0005615	Renewal	06	03	3.1	Sanitation Infrastructure	Outfall Sewers	City-Wide	18.5245482	-34.02505	2020/21	68 704	85 500	74 319	99 994	29 946
Water & Waste	Water & Sanitation: Bulk Services: Diep River - Doornbach Diversions	CPX.0016619	New	06	03	1.4	Roads Infrastructure	Roads	113	18.5199004	-33.840428	2020/21	332	–	287	228	430
Water & Waste	Water & Sanitation: Bulk Services: Upgrade Vygekraal River bank - Athlone	CPX.0016621	New	10	03	1.4	Roads Infrastructure	Roads	49	18.5114767	-33.950743	2020/21	95	–	3 888	–	–
Water & Waste	Water & Sanitation: Bulk Services: Upgrade of Manenberg Canal	CPX.0016623	New	10	03	1.4	Roads Infrastructure	Roads	Area Central	18.5582245	-33.977739	2020/21	486	–	361	279	9 931
Water & Waste	Water & Sanitation: Bulk Services: Stormwater Dams: Safety upgr (City-wide)	CPX.0016647	New	10	03	1.4	Storm water Infrastructure	Drainage Collection	City-Wide	18.6410131	-33.877785	2020/21	158	–	131	216	4 945
Water & Waste	Water & Sanitation: Bulk Services: Rehab of Diep River - Joe Slovo Pond	CPX.0016668	New	10	01	1.4	Storm water Infrastructure	Drainage Collection	4	18.5103745	-33.873401	2020/21	197	–	168	106	5 271
Water & Waste	Water & Sanitation: Bulk Services: Upgrade Vygekraal River banks - Phase II	CPX.0016671	New	10	03	1.4	Storm water Infrastructure	Drainage Collection	Area Central	18.5293706	-33.961146	2020/21	470	–	411	306	1 056
Water & Waste	Water & Sanitation: Bulk Services: Macassar Flood Alleviation	CPX.0016674	New	10	03	1.4	Storm water Infrastructure	Drainage Collection	109	18.7420623	-34.055347	2020/21	2 338	–	2 286	1 095	1 135

2.18 Legislation compliance status

Compliance with the MFMA implementation requirements has been substantially adhered to through the following activities:

- **Budget and Treasury Office**
A budget office and Treasury office was established in accordance with the MFMA.
- **Budgeting**
The annual budget is prepared in accordance with the requirements prescribed by National Treasury, MFMA, MBRR and mSCOA regulations.
- **In Year Reporting**
Fully compliant with regards to monthly and quarterly MBRR reporting to National Treasury.
- **Annual Report**
The annual report is prepared in accordance with the MFMA and National Treasury requirements.
- **Municipal Entities**
The City currently has only two entities i.e. the Cape Town International Convention Centre (CTICC) and the Cape Town Stadium (CTS).
- **Internship Programme**
The CFO has introduced an organised professional training and work experience program (Finance Graduate Development Program or FGDP) intended to standardise the current diverse training options by providing training and exposure to qualifying officials and/or suitably qualified external applicants and/or suitably qualified bursars (Bachelor of Commerce or equivalent degree), who meet the criteria and who are aspiring to become local government accountants subject to a recruitment and selection process.

The National Treasury Municipal Finance Management Internship Programme (NTMFMIP) has merged with the FGDP.

The City is funding five interns, whilst NT is funding an additional three interns.

Most interns that were previously on the NTMFMIP have been appointed within the City on completion of the program whilst others got employment opportunities elsewhere.

2.19 External mechanisms

The summary of the total service delivery package and associated financial implications of each external mechanism utilised by the City is attached as Annexure 28 to the document.

2.20 Other supporting documents

Table 94 - MBRR Table SA1 - Supporting detail to budgeted financial performance

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
REVENUE ITEMS:									
Property rates									
Total Property Rates	10 027 241	10 986 401	11 273 019	11 752 731	11 792 621	11 792 621	12 342 327	12 958 268	13 604 644
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	1 357 933	1 450 216	1 191 840	1 241 212	1 267 500	1 267 500	1 358 195	1 426 105	1 527 786
Net Property Rates	8 669 308	9 536 185	10 081 179	10 511 519	10 525 121	10 525 121	10 984 132	11 532 163	12 076 858
Service charges - electricity revenue									
Total Service charges - electricity revenue	11 971 234	13 168 930	14 379 068	13 895 334	13 935 694	13 935 694	15 853 996	17 709 099	19 813 048
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)									
Less Cost of Free Basis Services (50 kwh per indigent household per month)	160 638	125 999	125 999	106 000	106 000	106 000	119 430	137 344	157 946
Net Service charges - electricity revenue	11 810 596	13 042 932	14 253 069	13 789 334	13 829 694	13 829 694	15 734 566	17 571 754	19 655 102
Service charges - water revenue									
Total Service charges - water revenue	2 947 917	3 491 729	3 470 449	3 602 590	3 620 997	3 620 997	3 997 713	4 311 812	4 590 624
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)							-	-	-
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)	314 306	368 203	449 106	408 131	408 131	408 131	441 368	463 436	486 608
Net Service charges - water revenue	2 633 611	3 123 527	3 021 344	3 194 459	3 212 865	3 212 865	3 556 345	3 848 376	4 104 016
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	1 696 528	1 835 684	1 782 744	1 867 634	1 868 031	1 868 031	2 070 314	2 226 803	2 376 264
Less Revenue Foregone (in excess of free sanitation service to indigent households)									
Less Cost of Free Basis Services (free sanitation service to indigent households)	178 254	233 221	232 446	251 148	251 148	251 148	295 201	309 961	325 459
Net Service charges - sanitation revenue	1 518 274	1 602 463	1 550 298	1 616 486	1 616 883	1 616 883	1 775 113	1 916 842	2 050 805
Service charges - refuse revenue									
Total refuse removal revenue	1 333 881	1 418 907	1 562 883	1 598 763	1 526 689	1 526 689	1 641 574	1 763 759	1 915 921
Total landfill revenue									
Less Revenue Foregone (in excess of one removal a week to indigent households)									
week to indigent households)	276 709	280 000	287 133	313 332	313 332	313 332	311 132	317 354	323 701
Net Service charges - refuse revenue	1 057 172	1 138 907	1 275 750	1 285 431	1 213 356	1 213 356	1 330 442	1 446 405	1 592 219
Other Revenue by source									
Fuel Levy				2 594 972	2 594 972	2 594 972	2 608 900	2 712 598	2 705 527
Other Revenue	998 651	916 842	1 003 030	595 519	543 823	543 823	585 722	611 454	636 494
Total 'Other' Revenue	998 651	916 842	1 003 030	3 190 491	3 138 795	3 138 795	3 194 622	3 324 052	3 342 021
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	7 496 042	8 101 059	9 038 023	10 803 907	10 258 107	10 255 753	10 891 005	11 356 212	11 623 397
Pension and UIF Contributions	1 159 755	1 253 682	1 397 127	1 755 159	1 589 178	1 589 328	1 839 429	1 908 276	1 996 512
Medical Aid Contributions	702 316	746 014	823 417	901 595	900 730	905 730	945 473	987 073	1 032 479
Overtime	602 119	680 581	763 953	698 138	825 867	826 119	838 145	839 923	862 297
Performance Bonus			-			-			
Motor Vehicle Allowance	194 456	201 150	210 077	248 699	251 274	250 656	232 591	237 796	243 478
Cellphone Allowance	17 973	22 056	22 956	27 124	31 469	32 041	32 441	33 869	35 427
Housing Allowances	59 361	61 444	65 086	69 645	69 603	69 603	68 776	71 802	75 105
Other benefits and allowances	242 675	261 732	289 746	306 179	322 264	317 918	319 872	333 946	349 308
Payments in lieu of leave	145 115	173 125	292 120	86 607	92 077	92 997	95 681	100 147	104 747
Long service awards	179	511	73 555	49 434	48 522	48 515	81 383	84 964	88 872
Post-retirement benefit obligations	274 623	864 199	(176 418)	280 120	509 590	509 590	292 006	304 854	318 878
sub-total	10 894 614	12 365 555	12 799 642	15 226 608	14 898 680	14 898 251	15 636 801	16 258 862	16 730 498
Less: Employees costs capitalised to PPE	29 291	31 266	24 228	23 243	23 243	23 243	24 291	25 408	26 553
Total Employee related costs	10 865 323	12 334 289	12 775 413	15 203 365	14 875 438	14 875 008	15 612 510	16 233 454	16 703 945

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Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
<u>Depreciation & asset impairment</u>									
Depreciation of Property, Plant & Equipment	2 566 995	2 802 364	2 901 939	3 230 814	2 828 366	2 828 366	2 990 658	3 042 474	3 155 432
Lease amortisation	–	–	–	–	–	–	–	–	–
Capital asset impairment	11 566	29 648	19 784	69 253	22 500	22 500	23 198	23 198	23 198
Total Depreciation & asset impairment	2 578 561	2 832 012	2 921 723	3 300 067	2 850 866	2 850 866	3 013 855	3 065 671	3 178 630
<u>Bulk purchases - electricity</u>									
Electricity bulk purchases	7 870 527	8 281 772	9 317 868	9 585 215	9 585 215	9 585 215	11 182 400	12 669 659	14 354 724
Total bulk purchases	7 870 527	8 281 772	9 317 868	9 585 215	9 585 215	9 585 215	11 182 400	12 669 659	14 354 724
<u>Transfers and grants</u>									
Cash transfers and grants	418 599	391 968	453 464	498 081	556 482	556 482	464 263	404 613	362 078
Non-cash transfers and grants	–	–	–	–	–	–	–	–	–
Total transfers and grants	418 599	391 968	453 464	498 081	556 482	556 482	464 263	404 613	362 078
<u>Contracted services</u>									
Outsourced Services	1 947 338	2 191 122	2 491 931	2 995 897	3 142 766	3 152 718	3 343 658	2 953 065	3 072 196
Consultants and Professional Services	783 277	775 871	939 810	794 990	955 846	967 384	949 645	884 178	940 374
Contractors	2 702 254	3 029 317	3 279 101	3 425 088	3 591 858	3 578 388	3 667 060	3 749 408	3 849 324
Total contracted services	5 432 869	5 996 310	6 710 842	7 215 975	7 690 470	7 698 490	7 960 363	7 586 651	7 861 893
<u>Other Expenditure By Type</u>									
Collection costs	–	–	–	–	–	–	–	–	–
Contributions to 'other' provisions	(17 218)	(41 414)	(33 131)	13 061	(29 839)	(29 839)	(18 242)	(33 242)	(34 242)
Audit fees	16 708	18 188	20 241	19 328	19 328	19 328	19 328	19 328	19 328
Other Expenditure	2 016 980	2 013 361	2 223 257	2 329 720	2 530 801	2 719 080	2 630 957	2 922 578	3 116 392
Total 'Other' Expenditure	2 016 470	1 990 134	2 210 367	2 362 108	2 520 290	2 708 568	2 632 043	2 908 664	3 101 478
<u>Repairs and Maintenance by Expenditure Item</u>									
Employee related costs	1 229 788	1 119 643	943 436	1 690 469	1 031 902	1 031 902	1 134 510	1 184 423	1 236 357
Inventory Consumed (Project Maintenance)	329 644	343 692	293 292	402 391	371 891	373 803	393 347	410 346	427 741
Contracted Services	2 075 310	2 160 455	2 345 094	2 334 040	2 510 252	2 511 748	2 564 721	2 661 169	2 772 370
Other Expenditure	175 323	156 604	126 452	148 498	160 394	158 575	160 307	165 458	171 325
Total Repairs and Maintenance Expenditure	3 810 065	3 780 395	3 708 274	4 575 398	4 074 439	4 076 028	4 252 885	4 421 396	4 607 792
<u>Inventory Consumed</u>									
Inventory Consumed - Water	113 951	229 400	392 167	405 666	408 316	408 316	1 717 131	1 802 988	1 893 137
Inventory Consumed - Other	1 219 448	1 336 095	1 311 168	1 599 125	1 568 319	1 372 437	1 986 718	1 944 667	1 855 826
Total Inventory Consumed & Other Material	1 333 399	1 565 496	1 703 335	2 004 792	1 976 635	1 780 753	3 703 850	3 747 655	3 748 963

Table 95 - MBRR Table SA2 - Matrix financial performance budget (revenue source/expenditure type and department)

Description R thousand	Vote 1 - Community Services & Health	Vote 2 - Corporate Services	Vote 3 - Economic Opportunities & Asset Managemnt	Vote 4 - Energy & Climate Change	Vote 5 - Finance	Vote 6 - Human Settlements	Vote 7 - Office of the City Manager	Vote 8 - Safety & Security	Vote 9 - Spatial Planning & Environment	Vote 10 - Transport	Vote 11 - Urban Management	Vote 12 - Water & Waste	Total
Revenue By Source													
Property rates	–	–	–	–	10 690 206	–	–	–	–	–	293 926	–	10 984 132
Service charges - electricity revenue	47	–	–	15 734 519	–	–	–	–	–	–	–	–	15 734 566
Service charges - water revenue	–	–	581	–	–	–	–	–	–	–	–	3 555 763	3 556 345
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	1 775 113	1 775 113
Service charges - refuse revenue	–	–	–	–	(311 132)	–	–	–	–	–	–	1 641 574	1 330 442
Rental of facilities and equipment	10 320	–	177 602	1 100	2	161 050	–	283	84	–	–	206	350 647
Interest earned - external investments	–	–	–	–	854 917	201	–	–	–	–	–	–	855 119
Interest earned - outstanding debtors	–	–	–	36 000	140 562	1 856	–	–	–	–	–	271 035	449 452
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	2 550	–	–	–	529	–	–	1 238 981	4 738	31	–	186	1 247 015
Licences and permits	238	–	–	–	–	–	–	52 513	–	14 358	–	–	67 110
Agency services	–	–	–	–	247 124	–	–	14 491	–	–	–	–	261 614
Other revenue	35 669	46 118	1 997	31 207	2 672 513	14 429	7	26 010	113 662	198 693	4 497	49 820	3 194 622
Transfers and subsidies	840 512	43 407	46 276	800	3 269 619	303 192	–	370 750	91 264	561 522	1 001	122 022	5 650 364
Gains	–	–	43 817	2 500	–	500	–	–	–	–	–	2 006 241	2 053 058
Total Revenue (excluding capital transfers and contributions)	889 337	89 525	270 274	15 806 126	17 564 339	481 228	7	1 703 028	209 748	774 605	299 424	9 421 960	47 509 600

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Description	Vote 1 - Community Services & Health	Vote 2 - Corporate Services	Vote 3 - Economic Opportunities & Asset Managemnt	Vote 4 - Energy & Climate Change	Vote 5 - Finance	Vote 6 - Human Settlements	Vote 7 - Office of the City Manager	Vote 8 - Safety & Security	Vote 9 - Spatial Planning & Environment	Vote 10 - Transport	Vote 11 - Urban Management	Vote 12 - Water & Waste	Total
R thousand													
Expenditure By Type													
Employee related costs	2 439 204	1 298 182	542 918	1 418 029	1 109 543	488 001	175 411	2 948 177	612 810	843 169	356 955	3 380 111	15 612 510
Remuneration of councillors	–	–	–	–	–	–	1 564	–	–	–	178 262	–	179 826
Debt impairment	–	–	7 325	145 435	524 087	169 996	–	960 000	–	–	8 818	901 198	2 716 859
Depreciation & asset impairment	175 271	219 295	224 375	418 772	201 998	178 801	1 425	145 670	35 854	693 496	21 722	697 177	3 013 855
Finance charges	227	–	–	–	740 582	249	–	–	–	73	–	53 616	794 747
Bulk purchases - electricity	–	–	–	11 182 400	–	–	–	–	–	–	–	–	11 182 400
Inventory consumed	510 315	2 218	(1 702)	157 234	15 654	28 918	2 373	120 387	8 419	97 932	15 327	2 746 774	3 703 849
Contracted services	940 720	250 373	491 847	328 044	61 062	581 586	87 290	123 734	157 507	1 969 673	156 628	2 811 899	7 960 363
Transfers and subsidies	19 540	–	144 617	600	75 949	65 000	22 502	63 138	24 921	125	16 110	31 761	464 263
Other expenditure	118 569	500 585	89 714	190 444	492 340	31 096	30 054	249 861	22 449	69 493	326 251	511 187	2 632 043
Losses	10	71	37	464	1 291	28	–	81	–	–	13	12 131	14 124
Total Expenditure	4 203 855	2 270 723	1 499 132	13 841 423	3 222 505	1 543 675	320 619	4 611 047	861 959	3 673 960	1 080 086	11 145 854	48 274 839
Surplus/(Deficit)	(3 314 519)	(2 181 198)	(1 228 858)	1 964 703	14 341 834	(1 062 447)	(320 612)	(2 908 019)	(652 212)	(2 899 355)	(780 662)	(1 723 894)	(765 240)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	117 359	1 000	–	48 790	60	684 652	–	14 000	25 800	1 890 537	2 700	281 746	3 066 644
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	127 803	–	–	–	–	–	35 767	–	42 611	206 182
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(3 197 160)	(2 180 198)	(1 228 858)	2 141 296	14 341 894	(377 794)	(320 612)	(2 894 019)	(626 412)	(973 051)	(777 962)	(1 399 537)	2 507 586

Table 96 - MBRR Table SA3 - Supporting detail to Statement of Financial Position

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
ASSETS									
Consumer debtors									
Consumer debtors	9 946 508	10 981 470	12 324 116	17 893 016	15 403 458	15 403 458	16 772 246	18 194 250	19 765 724
Less: Provision for debt impairment	(4 320 108)	(4 765 547)	(6 003 455)	(10 893 469)	(7 725 997)	(7 725 997)	(8 831 813)	(9 982 199)	(10 986 181)
Total Consumer debtors	5 626 400	6 215 923	6 320 661	6 999 547	7 677 462	7 677 462	7 940 433	8 212 050	8 779 543
Debt impairment provision									
Balance at the beginning of the year	3 961 479	4 320 108	4 765 547	7 253 116	6 080 475	6 080 475	7 725 997	8 831 813	9 982 199
Contributions to the provision	565 738	938 105	1 703 424	3 640 353	2 328 213	2 328 213	1 734 565	1 803 033	1 678 783
Bad debts written off	(207 109)	(492 666)	(465 516)	–	(682 691)	(682 691)	(628 748)	(652 646)	(674 801)
Balance at end of year	4 320 108	4 765 547	6 003 455	10 893 469	7 725 997	7 725 997	8 831 813	9 982 199	10 986 181
Inventory									
Water									
Opening Balance	–	–	–	–	–	–	48 686	48 686	48 686
System Input Volume	113 951	229 400	392 167	405 666	408 316	408 316	2 201 111	2 311 166	2 426 725
Water Treatment Works	–	–	–	–	–	–	–	–	–
Bulk Purchases	113 951	229 400	392 167	405 666	408 316	408 316	2 122 702	2 228 837	2 340 279
Natural Sources	–	–	–	–	–	–	78 409	82 329	86 446
Authorised Consumption	(113 951)	(229 400)	(392 167)	(405 666)	(408 316)	(408 316)	(1 717 131)	(1 802 988)	(1 893 137)
Billed Authorised Consumption	(113 951)	(229 400)	(392 167)	(405 666)	(408 316)	(408 316)	(1 561 987)	(1 640 086)	(1 722 090)
Billed Metered Consumption	(113 951)	(229 400)	(392 167)	(405 666)	(408 316)	(408 316)	(1 561 987)	(1 640 086)	(1 722 090)
Free Basic Water	–	–	–	–	–	–	–	–	–
Subsidised Water	–	–	–	(405 666)	(408 316)	(408 316)	–	–	–
Revenue Water	(113 951)	(229 400)	(392 167)	–	–	–	(1 561 987)	(1 640 086)	(1 722 090)
Billed Unmetered Consumption	–	–	–	–	–	–	–	–	–
Free Basic Water	–	–	–	–	–	–	–	–	–
Subsidised Water	–	–	–	–	–	–	–	–	–
Revenue Water	–	–	–	–	–	–	–	–	–
Unbilled Authorised Consumption	–	–	–	–	–	–	(155 145)	(162 902)	(171 047)
Unbilled Metered Consumption	–	–	–	–	–	–	(79 822)	(83 813)	(88 004)
Unbilled Unmetered Consumption	–	–	–	–	–	–	(75 323)	(79 089)	(83 043)
Water Losses	–	–	–	–	–	–	(483 979)	(508 178)	(533 587)
Apparent losses	–	–	–	–	–	–	(93 443)	(98 115)	(103 020)
Unauthorised Consumption	–	–	–	–	–	–	(23 372)	(24 541)	(25 768)
Customer Meter Inaccuracies	–	–	–	–	–	–	(70 070)	(73 574)	(77 252)
Real losses	–	–	–	–	–	–	(390 537)	(410 064)	(430 567)
Leakage on Transmission and Distribution Mains	–	–	–	–	–	–	(390 537)	(410 064)	(430 567)
Leakage and Overflows at Storage	–	–	–	–	–	–	–	–	–
Tanks/Reservoirs	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Meter	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses	–	–	–	–	–	–	–	–	–
Non-revenue Water	–	–	–	–	–	–	(639 124)	(671 080)	(704 635)
Closing Balance Water	–	–	–	–	–	–	48 686	48 686	48 686

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Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Agricultural									
Opening Balance	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-
Issues	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-	-
Closing balance - Agricultural	-	-	-	-	-	-	-	-	-
Consumables									
Standard Rated									
Opening Balance	-	-	-	-	-	-	-	-	-
Acquisitions	1 219 448	1 336 095	1 311 168	1 599 125	1 568 319	1 372 437	1 986 718	1 944 667	1 855 826
Issues	(1 219 448)	(1 336 095)	(1 311 168)	(1 599 125)	(1 568 319)	(1 372 437)	(1 986 718)	(1 944 667)	(1 855 826)
Adjustments	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated	-	-	-	-	-	-	-	-	-
Opening Balance	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-
Issues	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated	-	-	-	-	-	-	-	-	-
Finished Goods									
Opening Balance	471 727	471 727	435 992	431 504	431 504	431 504	392 850	410 411	426 417
Acquisitions	-	(35 734)	(4 488)	96 045	(38 654)	(38 654)	20 517	19 077	19 821
Issues	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	(2 956)	(3 071)	(3 191)
Write-offs	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods	471 727	435 992	431 504	527 549	392 850	392 850	410 411	426 417	443 047
Materials and Supplies									
Opening Balance	-	-	-	-	-	-	61 989	11 495	11 943
Acquisitions	-	-	-	-	61 989	61 989	(1 808)	448	466
Issues	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	(48 686)	-	-
Write-offs	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies	-	-	-	-	61 989	61 989	11 495	11 943	12 409
Work-in-progress									
Opening Balance	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress	-	-	-	-	-	-	-	-	-
Housing Stock									
Opening Balance	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock	-	-	-	-	-	-	-	-	-
Land									
Opening Balance	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Correction of Prior period errors	-	-	-	-	-	-	-	-	-
Closing Balance - Land	-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables	471 727	435 992	431 504	527 549	454 840	454 840	470 592	487 047	504 143

Table continues on next page

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	66 805 504	70 879 489	76 715 424	86 858 570	84 091 321	84 091 321	92 698 005	101 547 437	112 799 697
Leases recognised as PPE	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation	23 651 739	25 176 257	27 633 249	31 202 799	30 319 076	30 319 076	33 745 261	36 715 259	39 801 965
Total Property, plant and equipment (PPE)	43 153 765	45 703 232	49 082 175	55 655 771	53 772 245	53 772 245	58 952 744	64 832 179	72 997 731
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities	376 805	427 597	446 355	628 487	407 221	407 221	1 565 429	2 054 389	2 852 395
Total Current liabilities - Borrowing	376 805	427 597	446 355	628 487	407 221	407 221	1 565 429	2 054 389	2 852 395
Trade and other payables									
Trade Payables	4 316 746	4 408 435	4 552 048	3 453 080	4 426 592	4 426 592	3 606 675	3 869 206	3 889 360
Other creditors	1 584 914	1 290 883	1 409 924	1 264 591	2 127 728	2 127 728	2 139 133	2 151 895	2 165 826
Unspent conditional transfers	1 067 745	1 298 170	1 392 172	1 740 833	1 499 161	1 499 161	1 563 531	1 638 697	1 724 596
VAT	132 981	130 270	173 298	143 623	181 269	181 269	188 342	196 252	204 887
Total Trade and other payables	7 102 387	7 127 758	7 527 442	6 602 127	8 234 751	8 234 751	7 497 681	7 856 050	7 984 669
Non current liabilities - Borrowing									
Borrowing	–	–	–	–	–	–	–	–	–
Finance leases (including PPP asset element)	6 492 536	6 270 937	6 871 889	9 784 054	6 580 592	6 580 592	7 589 127	9 957 474	14 363 090
Total Non current liabilities - Borrowing	6 492 536	6 270 937	6 871 889	9 784 054	6 580 592	6 580 592	7 589 127	9 957 474	14 363 090
Provisions - non-current									
Retirement benefits	5 294 803	5 901 641	5 453 500	6 786 621	6 014 707	6 014 707	6 633 586	7 325 405	8 098 224
00 January 1900	–	–	–	–	–	–	–	–	–
Refuse landfill site rehabilitation	319 035	345 888	299 856	403 719	508 375	508 375	494 959	480 443	497 229
Other	611 339	629 559	673 847	710 532	732 012	732 012	769 274	821 371	876 805
Total Provisions - non-current	6 225 176	6 877 088	6 427 203	7 900 871	7 255 094	7 255 094	7 897 818	8 627 219	9 472 259
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance	33 294 078	38 984 105	43 892 330	45 365 771	47 421 463	47 421 463	48 580 967	51 800 220	54 475 210
GRAP adjustments	(314 844)	–	–	–	–	–	–	–	–
Restated balance	32 979 234	38 984 105	43 892 330	45 365 771	47 421 463	47 421 463	48 580 967	51 800 220	54 475 210
Surplus/(Deficit)	5 696 766	6 242 064	4 369 410	400 078	478 182	478 182	2 507 586	3 035 143	2 969 861
00 January 1900	–	–	–	–	–	–	–	–	–
Transfers to/from Reserves	308 105	(1 333 839)	(840 276)	971 183	681 322	681 322	711 667	(360 153)	(436 171)
Depreciation offsets	–	–	–	–	–	–	–	–	–
Other adjustments	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	38 984 105	43 892 330	47 421 464	46 737 032	48 580 967	48 580 967	51 800 220	54 475 210	57 008 900
Reserves									
Housing Development Fund	359 290	409 352	463 210	420 194	441 146	441 146	293 946	147 974	774
Capital replacement	2 527 463	3 800 793	4 561 164	3 533 192	3 890 368	3 890 368	3 329 158	3 820 056	4 387 002
Self-insurance	578 328	588 775	614 821	614 794	626 358	626 358	623 103	638 329	654 755
Other reserves	–	–	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–	–	–
Total Reserves	3 465 082	4 798 920	5 639 194	4 568 179	4 957 873	4 957 873	4 246 206	4 606 360	5 042 530
TOTAL COMMUNITY WEALTH/EQUITY	42 449 187	48 691 249	53 060 658	51 305 211	53 538 840	53 538 840	56 046 426	59 081 569	62 051 430

Table 97- MBRR Table SA9 - Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Demographics</u>											
Population	StatsSA Census, Community Survey & Mid-year estimates	2 893 249	3 497 097	3 740 025	4 423 834	4 514 918	4 604 986	4 682 755	4 774 236	4 864 284	4 953 444
Females aged 5 - 14	StatsSA Census, Community Survey & Mid-year estimates	260 241	287 307	275 909	354 483	360 030	362 944	363 780	365 030	364 450	363 172
Males aged 5 - 14	StatsSA Census, Community Survey & Mid-year estimates	257 985	284 101	282 124	366 550	372 117	375 396	376 895	377 954	377 144	375 880
Females aged 15 - 34	StatsSA Census, Community Survey & Mid-year estimates	571 867	653 762	706 732	754 029	759 744	765 705	767 418	775 141	784 348	794 246
Males aged 15 - 34	StatsSA Census, Community Survey & Mid-year estimates	539 939	631 811	707 488	768 686	775 395	781 440	781 982	789 963	799 533	809 559
Unemployment	StatsSA Census, Community Survey & QLFS	29.20%	24.50%	23.90%	22.15%	22.77%	23.23%	21.43%	NA		NA
<u>Monthly household income (no. of households)</u>											
No income	StatsSA Census	101 953	52 446	146 517	NA	NA	NA	NA	NA	NA	NA
R1 - R1 600	StatsSA Census	200 414	144 873	185 068	NA	NA	NA	NA	NA	NA	NA
R1 601 - R3 200	StatsSA Census	130 846	122 611	170 824	NA	NA	NA	NA	NA	NA	NA
R3 201 - R6 400	StatsSA Census	133 588	121 268	154 427	NA	NA	NA	NA	NA	NA	NA
R6 401 - R12 800	StatsSA Census	109 609	103 587	139 348	NA	NA	NA	NA	NA	NA	NA
R12 801 - R25 600	StatsSA Census	67 529	87 974	126 625	NA	NA	NA	NA	NA	NA	NA
R25 601 - R51 200	StatsSA Census	23 091	52 892	92 860	NA	NA	NA	NA	NA	NA	NA
R52 201 - R102 400	StatsSA Census	5 470	18 249	38 018	NA	NA	NA	NA	NA	NA	NA
R102 401 - R204 800	StatsSA Census	3 028	5 355	9 749	NA	NA	NA	NA	NA	NA	NA
R204 801 - R409 600	StatsSA Census	1 861	3 429	5 066	NA	NA	NA	NA	NA	NA	NA
R409 601 - R819 200	StatsSA Census	–	189 593	73	NA	NA	NA	NA	NA	NA	NA
<u>Poverty profiles (no. of households)</u>											
City Indigent Relief Policy (The classification of a household as 'indigent' is determined by the City of Cape Town through their Credit Control and Debt Collection Policy which is revised annually.)	Households with a gross income of R4 500 or less per month qualify for free basic services where relevant, while those with a gross income of between R4501 and R7000 per month qualify for reduced rates and refuse.	–	–	–	225 271	220 796	197 224	198 488	NA	NA	NA
<u>Household/demographics</u>											
Number of people in municipal area	StatsSA Census, Community Survey & Mid-year estimates	2 893 249	3 497 097	3 740 025	4 423 834	4 514 918	4 604 986	4 682 755	4 774 236	4 864 284	4 953 444
Number of poor people in municipal area	StatsSA Census, estimates	1 124 687	1 240 002	1 758 442	NA	NA	NA	NA	NA	NA	NA
Number of households in municipal area	StatsSA Census, estimates	777 390	902 275	1 068 575	1 382 448	1 410 912	1 439 058	1 463 361	1 491 949	1 520 089	1 547 951
Number of poor households in municipal area	StatsSA Census, Indigent households for 2015/16 to 2018/19	302 193	319 930	502 409	225 271	220 796	197 224	198 488	NA	NA	NA
Definition of poor household (R per month)	-	Household Income < R1608	Household income < R3201	Household income < R3201	Indigent households	Indigent households	Indigent households	Indigent households	Indigent households	Indigent households	Indigent households

*NA = not available

Table continues on next page

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Housing statistics</u>											
Formal	StatsSA Census & Community Survey, estimates	619 691	758 159	846 026	1 126 289	1 149 478	1 172 409	1 192 209	1 215 500	1 238 425	1 261 125
Informal	StatsSA Census & Community Survey, estimates	157 699	144 116	222 549	256 159	261 434	266 649	271 152	276 449	281 663	286 826
Total number of households		777 390	902 275	1 068 575	1 382 448	1 410 912	1 439 058	1 463 361	1 491 949	1 520 089	1 547 951
Dwellings provided by municipality	CCT Human Settlements Directorate	-	-	-	3 712	3 919	1 804	4 728	6 622	NA	NA
Dwellings provided by province/s	WCG, Department of Human Settlements Annual Reports	-	-	-	5 220	4 768	3 551	NA	NA	NA	NA
Dwellings provided by private sector	CCT Spatial Planning and Environment Directorate	-	-	-	10 320	9 504	7 192	NA	NA	NA	NA
Total new housing dwellings		-	-	-	19 252	18 191	12 547	4 728	6 622	-	-
<u>Economic</u>											
Inflation/inflation outlook (CPIX)					5.7%	5.5%	4.14%	5.1%	3.1%	4.6%	4.5%
Interest rate - borrowing					12.0%	11.0%	11.00%	11.0%	11.0%	11.0%	11.0%
Interest rate - investment					7.0%	7.0%	7.0%	4.6%	4.2%	4.5%	4.8%
Remuneration increases					7.4%	7.1%	6.5%	6.3%	0.0%	4.4%	4.6%
Consumption growth (electricity)					-2.7%	-1.1%	-1.00%	-6.5%	0.0%	0.0%	0.0%
Consumption growth (water)					-26.8%	-10.1%	20.50%	5.9%	4.0%	4.0%	2.0%
<u>Collection rates</u>											
Property tax/service charges					96.0%	95.9%	96.0%	90.0%	95.1%	95.6%	96.0%
Rental of facilities & equipment					35.9%	72.6%	32.9%	29.6%	39.2%	46.2%	54.4%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors					96.1%	96.0%	90.0%	98.0%	97.0%	97.0%	97.0%
Revenue from agency services					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 98 - MBRR Table SA9 - Detail on the provision of municipal services for Table A10 (Basic service delivery measurement)

Total municipal services	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets (000)									
Water:	–	–	–	–	–	–	–	–	–
Piped water inside dwelling	1 132 666	1 190 854	1 214 760	1 256 146	1 256 146	1 256 146	1 310 286	1 334 999	1 359 469
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	157 038	165 105	168 419	174 157	174 157	174 157	181 663	185 090	188 482
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–
Flush toilet (connected to sewerage)	1 211 917	1 263 952	1 285 080	1 329 491	1 329 491	1 329 491	1 384 841	1 409 654	1 434 124
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	30 575	32 185	35 120	39 765	39 765	39 765	62 330	62 330	62 330
Pit toilet (ventilated)	197	197	197	197	197	197	197	197	197
Other toilet provisions (> min.service level)	46 798	59 553	62 633	60 850	60 850	60 850	44 581	47 908	51 300
<i>Minimum Service Level and Above sub-total</i>	1 289 487	1 355 887	1 383 030	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Bucket toilet	217	72	149	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	217	72	149	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Energy:	–	–	–	–	–	–	–	–	–
Electricity (at least min.service level)	828 552	841 791	883 767	844 791	844 791	844 791	883 767	883 767	883 767
Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	828 552	841 791	883 767	844 791	844 791	844 791	883 767	883 767	883 767
Electricity (< min.service level)	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Total number of households	862 118	872 917	912 897	872 917	872 917	872 917	909 897	908 397	906 897
Refuse:	–	–	–	–	–	–	–	–	–
Removed at least once a week	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
<i>Minimum Service Level and Above sub-total</i>	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704

Table continues on next page

Municipal in-house services	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets (000)									
<u>Water:</u>									
Piped water inside dwelling	1 132 666	1 190 854	1 214 760	1 256 146	1 256 146	1 256 146	1 310 286	1 334 999	1 359 469
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	157 038	165 105	168 419	174 157	174 157	174 157	181 663	185 090	188 482
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
<u>Sanitation/sewerage:</u>									
Flush toilet (connected to sewerage)	1 211 917	1 263 952	1 285 080	1 329 491	1 329 491	1 329 491	1 384 841	1 409 654	1 434 124
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	30 575	32 185	35 120	39 765	39 765	39 765	62 330	62 330	62 330
Pit toilet (ventilated)	197	197	197	197	197	197	197	197	197
Other toilet provisions (> min.service level)	46 798	59 553	62 633	60 850	60 850	60 850	44 581	47 908	51 300
<i>Minimum Service Level and Above sub-total</i>	1 289 487	1 355 887	1 383 030	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Bucket toilet	217	72	149	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	217	72	149	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
<u>Energy:</u>									
Electricity (at least min.service level)	581 960	595 199	637 175	598 199	598 199	598 199	637 175	637 175	637 175
Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	581 960	595 199	637 175	598 199	598 199	598 199	637 175	637 175	637 175
Electricity (< min.service level)	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Total number of households	615 526	626 325	666 305	626 325	626 325	626 325	663 305	661 805	660 305
<u>Refuse:</u>									
Removed at least once a week	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
<i>Minimum Service Level and Above sub-total</i>	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704

Services provided by 'external mechanisms'		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Eskom	<u>Energy:</u>									
	Electricity (at least min.service level)	246 592	246 592	246 592	246 592	246 592	246 592	246 592	246 592	246 592
	Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
	<i>Minimum Service Level and Above sub-total</i>	246 592	246 592	246 592	246 592	246 592	246 592	246 592	246 592	246 592
	Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
	Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
	Other energy sources	–	–	–	–	–	–	–	–	–
	<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households		246 592	246 592	246 592	246 592	246 592	246 592	246 592	246 592	246 592

Table continues on next page

Detail of Free Basic Services (FBS) provided		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Electricity	<u>Location of households for each type of FBS</u>									
	Formal settlements - (50 kwh per indigent household per month Rands)	160 637 805	125 998 862	125 998 862	106 000 000	106 000 000	106 000 000	119 429 848	137 344 325	157 945 974
	<i>Number of HH receiving this type of FBS</i>	195 564	183 070	166 389	183 070	183 070	183 070	184 570	186 070	187 570
	Informal settlements (Rands)	78 073 659	78 060 662	91 284 423	113 000 000	113 000 000	113 000 000	129 950 000	149 442 500	171 858 875
	<i>Number of HH receiving this type of FBS</i>	122 502	136 726	140 495	153 000	153 000	153 000	153 000	153 000	153 000
	Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	–	–	–
	Living in informal backyard rental agreement (Rands)	1 051 783	1 175 158	1 310 806	1 380 858	1 380 858	1 380 858	1 587 987	1 715 026	1 852 228
	<i>Number of HH receiving this type of FBS</i>	1 620	1 646	1 719	1 719	1 719	1 719	1 719	1 719	1 719
	Other (Rands)	–	–	–	–	–	–	–	–	–
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	–	–	–
Total cost of FBS - Electricity for informal settlements		79 125 442	79 235 820	92 595 229	114 380 858	114 380 858	114 380 858	131 537 987	151 157 526	173 711 103
Water	<u>Location of households for each type of FBS</u>									
	Formal settlements - (6 kilolitre per indigent household per month Rands)	314 306 086	368 202 762	449 105 580	408 131 484	408 131 484	408 131 484	441 367 937	463 436 334	486 608 151
	<i>Number of HH receiving this type of FBS</i>	231 793	267 325	270 025	253 851	253 851	253 851	250 413	250 413	250 413
	Informal settlements (Rands)	189 563 442	225 618 455	277 619 681	276 947 914	276 947 914	276 947 914	315 256 769	337 361 916	360 821 422
	<i>Number of HH receiving this type of FBS</i>	154 237	163 805	166 919	174 157	174 157	174 157	178 863	182 290	185 682
	Informal settlements targeted for upgrading (Rands)	3 441 312	1 790 568	2 494 800	3 054 744	3 054 744	3 054 744	4 935 168	5 181 926	5 441 023
	<i>Number of HH receiving this type of FBS</i>	2 800	1 300	1 500	1 900	1 900	1 900	2 800	2 800	2 800
	Living in informal backyard rental agreement (Rands)	3 389 692	4 074 231	6 458 206	7 931 080	7 931 080	7 931 080	3 348 864	3 516 307	3 692 123
	<i>Number of HH receiving this type of FBS</i>	2 758	2 958	3 883	4 933	4 933	4 933	1 900	1 900	1 900
	Other (Rands)	–	–	–	–	–	–	–	–	–
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	–	–	–
Total cost of FBS - Water for informal settlements		196 394 446	231 483 254	286 572 687	287 933 738	287 933 738	287 933 738	323 540 801	346 060 149	369 954 567

Table continues on next page

Detail of Free Basic Services (FBS) provided		2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Sanitation	<u>Location of households for each type of FBS</u>									
	Formal settlements - (free sanitation service to indigent households)	178 254 084	233 220 746	232 446 161	251 147 995	251 147 995	251 147 995	295 200 868	309 960 911	325 458 956
	<i>Number of HH receiving this type of FBS</i>	255 733	267 325	270 025	253 851	253 851	253 851	250 413	250 413	250 413
	Informal settlements (Rands)	55 230 725	72 617 956	74 235 569	76 361 155	76 361 155	76 361 155	84 588 812	88 942 033	93 389 134
	<i>Number of HH receiving this type of FBS</i>	79 237	83 237	86 237	77 183	77 183	77 183	71 755	71 855	71 855
	Informal settlements targeted for upgrading (Rands)	1 951 690	1 134 151	1 291 248	1 879 769	1 879 769	1 879 769	3 300 797	3 465 837	3 639 128
	<i>Number of HH receiving this type of FBS</i>	2 800	1 300	1 500	1 900	1 900	1 900	2 800	2 800	2 800
	Living in informal backyard rental agreement (Rands)	1 922 414	2 580 630	3 342 611	4 880 473	4 880 473	4 880 473	2 239 826	2 351 818	2 469 409
	<i>Number of HH receiving this type of FBS</i>	2 758	2 958	3 883	4 933	4 933	4 933	1 900	1 900	1 900
	Other (Rands)	–	–	–	–	–	–	348 228 624	365 640 055	383 922 058
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	107 108	110 435	113 827
	Total cost of FBS - Sanitation for informal settlements	59 104 829	76 332 737	78 869 428	83 121 397	83 121 397	83 121 397	438 358 059	460 399 742	483 419 729
Refuse Removal	<u>Location of households for each type of FBS</u>									
	Formal settlements - (removed once a week to indigent households)	276 709 328	280 000 000	287 132 840	313 332 279	313 332 279	313 332 279	311 131 690	317 354 324	323 701 410
	<i>Number of HH receiving this type of FBS</i>	317 665	304 437	310 526	264 761	264 761	264 761	270 056	275 457	280 966
	Informal settlements (Rands)	138 249 287	147 182 564	154 541 692	289 284 757	289 284 757	289 284 757	293 466 781	299 336 117	305 322 839
	<i>Number of HH receiving this type of FBS</i>	153 360	160 000	163 200	218 000	218 000	218 000	222 360	226 807	231 343
	Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	–	–	–
	Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	–	–	–
	Other (Rands)	–	–	–	–	–	–	–	–	–
	<i>Number of HH receiving this type of FBS</i>	–	–	–	–	–	–	–	–	–
	Total cost of FBS - Refuse Removal for informal settlements	138 249 287	147 182 564	154 541 692	289 284 757	289 284 757	289 284 757	293 466 781	299 336 117	305 322 839

2.21 Consolidated budget tables

The consolidated tables, as required in terms of Regulation 9 of the MBRR, are presented in the nine primary budget tables on page 243 to page 255.

The tables provide a consolidated view of the main tables (including financial position and cash flow) of the City, CTICC and CTS.

The consolidated tables include the City's and entities' MTREF with elimination of inter-company entries. It will therefore not align to a direct consolidation of tables between the City's MBRR Schedule A and the entities' MBRR Schedule D.

Table 99 - MBRR Table A1 - Consolidated Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
Financial Performance									
Property rates	8 667 169	9 529 022	10 071 660	10 511 519	10 525 121	10 525 121	10 984 132	11 532 163	12 076 858
Service charges	17 003 100	18 876 837	20 067 405	19 885 709	19 872 799	19 872 799	22 396 466	24 783 377	27 402 143
Investment revenue	900 370	1 142 094	1 304 755	855 610	979 768	979 768	855 344	912 648	884 379
Transfers recognised - operational	4 033 010	4 494 019	4 983 212	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Other own revenue	6 264 276	6 239 813	5 998 621	5 581 541	5 357 791	5 357 791	7 625 917	8 046 704	8 150 304
Total Revenue (excluding capital transfers and contributions)	36 867 926	40 281 784	42 425 653	42 443 103	42 873 570	42 873 570	47 512 224	51 049 562	53 871 241
Employee costs	10 947 439	12 427 935	12 881 216	15 296 104	14 955 068	14 953 953	15 669 546	16 296 294	16 771 058
Remuneration of councillors	154 923	161 297	167 521	189 675	189 675	189 675	179 826	187 739	196 375
Depreciation & asset impairment	3 088 275	2 889 931	3 062 972	3 354 567	3 088 084	3 088 084	3 064 593	3 112 631	3 225 949
Finance charges	782 925	756 569	815 109	828 460	851 450	851 450	794 747	1 283 592	1 498 858
Inventory consumed and bulk purchases	9 239 025	9 883 968	11 049 364	11 371 532	11 369 097	11 373 256	14 890 660	16 449 671	18 138 166
Transfers and grants	396 433	336 816	394 011	432 364	492 889	492 889	405 903	380 327	339 495
Other expenditure	8 898 342	9 707 595	11 846 130	13 671 804	13 760 070	13 757 026	13 441 695	13 440 084	13 789 500
Total Expenditure	33 507 363	36 164 110	40 216 322	45 144 505	44 706 334	44 706 334	48 446 971	51 150 337	53 959 401
Surplus/(Deficit)	3 360 563	4 117 674	2 209 331	(2 701 402)	(1 832 764)	(1 832 764)	(934 747)	(100 774)	(88 160)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 921 009	2 078 060	1 911 311	2 815 828	1 743 907	1 743 907	3 066 644	2 861 528	2 770 686
Transfers and subsidies - capital (monetary allocations) (National /	78 248	245 048	192 823	189 226	195 569	195 569	206 182	240 264	253 199
Surplus/(Deficit) after capital transfers & contributions	5 359 820	6 440 782	–	303 652	106 711	106 712	2 338 078	3 001 018	2 935 726
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	5 359 820	6 440 782	–	303 652	106 711	106 712	2 338 078	3 001 018	2 935 726
Capital expenditure & funds sources									
Capital expenditure	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856
Transfers recognised - capital	1 805 414	2 119 370	1 946 844	2 883 814	1 809 393	1 791 808	3 138 842	2 961 645	2 877 431
Borrowing	2 533 155	388 077	1 060 298	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Internally generated funds	1 381 010	2 874 929	3 019 933	4 297 543	5 590 035	5 371 931	2 687 097	1 669 375	1 624 424
Total sources of capital funds	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856

Table continues on next page

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands									
<u>Financial position</u>									
Total current assets	14 596 375	18 771 125	19 931 519	15 631 864	17 302 835	17 302 835	16 886 995	19 094 538	21 648 044
Total non current assets	49 991 448	52 902 375	56 923 338	62 770 615	62 662 080	62 662 080	67 068 144	72 458 675	79 830 953
Total current liabilities	8 989 286	9 218 141	9 947 548	9 124 334	10 557 857	10 557 857	11 718 587	13 167 991	14 898 544
Total non current liabilities	12 726 404	13 154 744	13 303 872	17 684 925	13 835 686	13 835 686	15 487 177	18 585 067	23 835 808
Community wealth/Equity	42 872 133	49 300 615	53 603 438	51 593 220	55 571 371	55 571 371	56 749 375	59 800 155	62 744 645
<u>Cash flows</u>									
Net cash from (used) operating	7 528 519	9 280 101	6 989 671	3 639 662	3 338 312	3 338 312	5 647 568	6 287 112	6 072 978
Net cash from (used) investing	(6 226 551)	(6 242 255)	(6 825 074)	(8 897 868)	(6 803 865)	(6 803 865)	(8 411 512)	(8 301 269)	(10 428 263)
Net cash from (used) financing	731 280	(131 800)	785 076	2 173 711	(384 839)	(384 839)	2 145 615	2 844 317	5 009 404
Cash/cash equivalents at the year end	5 806 824	8 712 870	9 662 543	4 620 298	5 690 213	5 690 213	5 071 884	5 902 044	6 556 163
<u>Cash backing/surplus reconciliation</u>									
Cash and investments available	12 379 343	16 221 572	18 058 960	12 003 334	13 070 987	13 070 987	13 069 017	13 899 176	14 553 295
Application of cash and investments	6 606 884	7 433 259	9 219 226	7 764 659	10 402 175	10 402 175	7 857 547	7 044 663	5 810 230
Balance - surplus (shortfall)	5 772 459	8 788 313	8 839 734	4 238 675	2 668 812	2 668 812	5 211 470	6 854 512	8 743 065
<u>Asset management</u>									
Asset register summary (WDV)	44 463 379	46 989 651	50 273 369	56 627 881	54 798 400	54 798 400	60 099 326	66 144 216	74 441 718
Depreciation	3 087 251	2 886 135	3 060 773	3 354 567	3 088 084	3 088 084	3 041 396	3 089 433	3 202 751
Renewal and Upgrading of Existing Assets	2 743 604	2 690 886	3 401 804	4 953 225	4 062 817	3 922 143	4 079 093	4 631 123	6 387 809
Repairs and Maintenance	3 810 065	3 817 782	3 745 860	4 619 237	4 105 620	4 107 210	4 291 523	4 463 070	4 652 888
<u>Free services</u>									
Cost of Free Basic Services provided	1 402 781	1 541 657	1 707 262	1 712 590	1 712 590	1 712 590	2 354 034	2 485 049	2 626 123
Revenue cost of free services provided	1 387 066	1 478 535	1 233 725	1 272 116	1 272 116	1 272 116	1 389 874	1 459 241	1 562 414
<u>Households below minimum service level</u>									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	217	72	149	-	-	-	-	-	-
Energy:	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Refuse:	-	-	-	-	-	-	-	-	-

Table 100 - MBRR Table A2 - Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Functional Classification Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional									
Governance and administration	14 278 144	15 430 808	16 133 254	16 142 580	16 544 963	16 544 963	16 542 284	17 328 583	17 892 655
Executive and council	849	1 085	680	1 348	2 932	2 932	1 325	1 339	1 355
Finance and administration	14 277 275	15 429 715	16 132 559	16 141 229	16 542 028	16 542 028	16 540 956	17 327 241	17 891 297
Internal audit	20	8	15	3	3	3	3	3	3
Community and public safety	3 158 188	3 321 136	3 481 991	3 640 281	3 512 226	3 512 226	3 780 867	4 116 511	3 806 003
Community and social services	117 303	133 503	167 238	134 928	125 690	125 690	110 743	113 202	101 517
Sport and recreation	84 397	87 253	55 586	56 046	32 838	32 838	56 820	125 493	141 240
Public safety	1 496 936	1 397 410	1 398 173	1 562 828	1 577 287	1 577 287	1 662 159	1 740 819	1 381 585
Housing	1 079 082	1 305 811	1 437 443	1 384 590	1 316 312	1 316 312	1 426 546	1 599 800	1 659 242
Health	380 469	397 158	423 550	501 889	460 100	460 100	524 600	537 197	522 420
Economic and environmental services	1 814 483	1 846 203	1 803 926	2 927 905	2 044 593	2 044 593	3 323 940	2 922 447	2 749 950
Planning and development	378 135	387 364	403 208	483 906	471 473	471 473	530 303	528 268	539 167
Road transport	1 427 924	1 435 992	1 379 822	2 405 454	1 524 579	1 524 579	2 742 355	2 363 717	2 177 253
Environmental protection	8 425	22 848	20 895	38 545	48 541	48 541	51 281	30 462	33 530
Trading services	19 349 711	21 711 745	22 887 842	22 516 457	22 665 564	22 665 564	27 106 863	29 574 923	32 224 609
Energy sources	12 371 364	13 533 376	14 659 495	14 252 289	14 278 183	14 278 183	16 204 261	18 060 072	20 129 425
Water management	3 638 979	4 537 454	4 526 999	4 473 233	4 673 556	4 673 556	6 905 736	7 235 293	7 560 073
Waste water management	1 864 484	2 061 455	1 967 306	2 015 133	1 996 689	1 996 689	2 160 243	2 290 854	2 390 850
Waste management	1 474 884	1 579 460	1 734 042	1 775 801	1 717 136	1 717 136	1 836 622	1 988 704	2 144 261
Other	266 657	295 001	222 774	220 934	45 699	45 699	31 096	208 891	221 909
Total Revenue - Functional	38 867 183	42 604 893	44 529 787	45 448 157	44 813 046	44 813 046	50 785 050	54 151 355	56 895 127
Expenditure - Functional									
Governance and administration	6 486 639	7 669 152	7 546 747	10 183 666	10 164 289	10 161 100	9 828 627	10 631 949	11 374 553
Executive and council	398 459	425 712	490 203	616 260	617 459	616 459	664 033	646 463	702 445
Finance and administration	6 045 871	7 200 576	7 008 918	9 514 015	9 494 396	9 492 206	9 114 249	9 933 016	10 617 372
Internal audit	42 309	42 863	47 626	53 392	52 434	52 434	50 346	52 471	54 736
Community and public safety	6 669 039	7 289 448	8 045 022	8 668 126	8 668 319	8 669 073	9 049 011	9 259 009	9 102 763
Community and social services	855 828	883 385	1 001 506	1 013 228	1 030 196	1 031 646	970 743	992 208	1 041 214
Sport and recreation	1 118 060	1 187 604	1 260 916	1 161 072	1 181 499	1 181 977	1 171 779	1 217 849	1 254 586
Public safety	2 509 503	2 895 899	3 134 732	3 701 225	3 528 203	3 528 203	3 972 218	4 063 820	3 782 863
Housing	1 104 411	1 166 302	1 374 764	1 391 023	1 494 848	1 493 674	1 534 627	1 540 934	1 542 414
Health	1 081 237	1 156 258	1 273 105	1 401 579	1 433 573	1 433 573	1 399 645	1 444 198	1 481 685
Economic and environmental services	4 240 884	4 769 645	5 066 682	5 167 192	5 197 620	5 195 318	5 282 640	5 257 136	5 429 177
Planning and development	1 111 758	1 238 180	1 540 744	1 374 025	1 418 351	1 416 049	1 433 576	1 440 051	1 454 095
Road transport	2 999 488	3 386 918	3 337 621	3 578 140	3 536 182	3 536 182	3 609 570	3 609 295	3 754 717
Environmental protection	129 637	144 547	188 317	215 027	243 088	243 088	239 495	207 790	220 365
Trading services	15 341 593	16 091 495	19 120 755	20 620 189	20 053 926	20 058 664	23 913 294	25 586 015	27 623 792
Energy sources	9 565 837	10 036 578	11 243 897	12 030 572	11 905 046	11 905 046	13 547 693	15 151 716	16 947 156
Water management	2 568 752	2 781 938	3 595 917	3 570 275	3 340 136	3 340 225	5 286 244	5 330 941	5 426 728
Waste water management	1 505 962	1 252 180	1 974 109	2 530 258	2 423 768	2 428 417	2 569 535	2 515 528	2 571 316
Waste management	1 701 042	2 020 799	2 306 831	2 489 084	2 384 976	2 384 976	2 509 821	2 587 830	2 678 593
Other	650 659	350 232	402 719	479 811	441 674	441 674	373 399	416 229	429 115
Total Expenditure - Functional	33 388 815	36 169 972	40 181 926	45 118 985	44 525 829	44 525 829	48 446 971	51 150 337	53 959 401
Surplus/(Deficit) for the year	5 478 368	6 434 920	4 347 860	329 172	287 217	287 217	2 338 079	3 001 018	2 935 726

Table 101 - MBBR Table A3 - Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Revenue by Vote									
Vote 1 - Community Services & Health	845 736	920 090	914 528	1 066 078	1 234 931	1 234 931	1 006 695	1 037 880	1 012 274
Vote 2 - Corporate Services	88 093	69 717	70 585	57 780	56 762	56 762	90 525	102 268	105 543
Vote 3 - Economic Opportunities & Asset Managemnt	347 914	282 751	262 150	283 469	248 704	248 704	270 274	260 703	243 410
Vote 4 - Energy & Climate Change	12 133 322	13 331 922	14 454 020	14 028 935	14 066 385	14 066 385	15 962 077	17 799 833	19 865 374
Vote 5 - Finance	14 210 443	15 860 942	14 859 564	16 848 087	16 950 222	16 950 222	17 460 587	18 407 948	18 998 252
Vote 6 - Human Settlements	965 319	1 185 791	1 312 455	1 253 326	1 185 048	1 185 048	1 165 880	1 319 704	1 375 040
Vote 7 - Office of the City Manager	117	164	35	6	6	6	7	7	7
Vote 8 - Safety & Security	1 531 936	1 431 606	1 467 522	1 616 047	1 710 815	1 710 815	1 717 028	1 798 212	1 441 560
Vote 9 - Spatial Planning & Environment	148 772	152 894	136 040	187 521	217 156	217 156	235 548	215 097	235 946
Vote 10 - Transport	1 421 534	1 421 445	1 364 477	2 369 495	1 488 620	1 488 620	2 700 909	2 321 996	2 133 204
Vote 11 - Urban Management	238 276	257 307	283 908	275 239	278 562	278 562	302 124	317 152	337 199
Vote 12 - Water & Waste	6 642 628	7 314 152	7 103 161	7 153 041	7 260 569	7 260 569	9 744 317	10 246 595	10 808 379
Vote 13 - Cape Town International Convention Centre	264 177	292 264	220 908	215 982	40 653	40 653	25 991	203 551	216 329
Vote 14 - Cape Town Stadium	28 916	83 848	2 080 433	93 150	74 615	74 615	103 087	120 410	122 608
Total Revenue by Vote	38 867 183	42 604 893	44 529 787	45 448 157	44 813 046	44 813 046	50 785 050	54 151 355	56 895 127
Expenditure by Vote to be appropriated									
Vote 1 - Community Services & Health	3 139 953	3 361 843	3 743 494	4 403 961	4 381 818	4 381 818	4 203 855	4 179 517	4 329 340
Vote 2 - Corporate Services	1 571 084	1 737 373	1 897 301	2 061 818	2 131 156	2 131 156	2 270 723	2 560 944	2 813 259
Vote 3 - Economic Opportunities & Asset Managemnt	1 026 796	1 238 399	1 402 634	1 414 661	1 422 877	1 422 877	1 499 132	1 490 540	1 506 274
Vote 4 - Energy & Climate Change	9 810 072	10 351 302	11 542 133	12 412 445	12 254 004	12 254 004	13 833 501	15 442 493	17 250 590
Vote 5 - Finance	2 425 859	3 089 004	2 479 150	3 620 590	3 592 186	3 592 186	3 105 983	3 730 956	4 031 689
Vote 6 - Human Settlements	1 092 017	1 157 725	1 377 412	1 394 457	1 504 048	1 504 048	1 543 675	1 550 211	1 551 961
Vote 7 - Office of the City Manager	142 779	176 847	229 979	258 605	259 447	259 447	320 619	294 771	338 793
Vote 8 - Safety & Security	2 943 783	3 349 382	3 688 980	4 293 174	4 177 054	4 177 054	4 611 047	4 710 084	4 445 525
Vote 9 - Spatial Planning & Environment	540 893	572 355	664 410	789 228	832 766	832 766	861 959	841 227	867 785
Vote 10 - Transport	3 133 654	3 352 716	3 262 925	3 640 210	3 515 767	3 515 767	3 673 960	3 671 590	3 817 908
Vote 11 - Urban Management	700 061	747 037	973 664	1 127 346	1 149 482	1 149 482	1 080 086	1 116 224	1 160 693
Vote 12 - Water & Waste	6 255 027	6 678 097	8 492 189	9 347 882	8 882 498	8 882 498	11 145 854	11 205 705	11 474 520
Vote 13 - Cape Town International Convention Centre	577 920	274 045	322 221	286 888	308 112	308 112	195 498	237 676	250 464
Vote 14 - Cape Town Stadium	28 916	83 848	105 433	67 721	114 615	114 615	101 077	118 400	120 598
Total Expenditure by Vote	33 388 815	36 169 972	40 181 926	45 118 985	44 525 829	44 525 829	48 446 971	51 150 337	53 959 401
Surplus/(Deficit) for the year	5 478 368	6 434 920	4 347 860	329 172	287 217	287 217	2 338 079	3 001 018	2 935 726

Table 102 - MBRR Table A4 - Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
Revenue By Source									
Property rates	8 667 169	9 529 022	10 071 660	10 511 519	10 525 121	10 525 121	10 984 132	11 532 163	12 076 858
Service charges - electricity revenue	11 795 483	13 018 591	14 227 439	13 789 334	13 829 694	13 829 694	15 734 566	17 571 754	19 655 102
Service charges - water revenue	2 632 345	3 118 799	3 015 380	3 194 459	3 212 865	3 212 865	3 556 345	3 848 376	4 104 016
Service charges - sanitation revenue	1 518 222	1 600 851	1 549 162	1 616 486	1 616 883	1 616 883	1 775 113	1 916 842	2 050 805
Service charges - refuse revenue	1 057 049	1 138 596	1 275 423	1 285 431	1 213 356	1 213 356	1 330 442	1 446 405	1 592 219
Rental of facilities and equipment	576 722	545 869	457 018	496 894	380 475	380 475	386 017	536 623	562 178
Interest earned - external investments	900 370	1 142 094	1 304 755	855 610	979 768	979 768	855 344	912 648	884 379
Interest earned - outstanding debtors	307 916	361 403	408 418	389 137	416 982	416 982	449 452	471 822	497 547
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 666 379	1 485 757	1 313 161	1 063 333	1 063 333	1 063 333	1 247 015	1 249 177	1 251 390
Licences and permits	52 141	64 881	45 587	76 875	65 092	65 092	67 110	70 197	73 355
Agency services	213 550	230 144	200 585	242 236	242 236	242 236	261 614	282 544	305 147
Transfers and subsidies	4 033 010	4 494 019	4 983 212	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Other revenue	3 358 869	3 398 303	3 334 867	3 263 066	3 135 617	3 135 617	3 161 651	3 380 894	3 402 794
Gains	88 701	153 456	238 986	50 000	54 057	54 057	2 053 058	2 055 448	2 057 893
Total Revenue (excluding capital transfers and contributions)	36 867 926	40 281 784	42 425 653	42 443 103	42 873 570	42 873 570	47 512 224	51 049 562	53 871 241
Expenditure By Type									
Employee related costs	10 947 439	12 427 935	12 881 216	15 296 104	14 955 068	14 953 953	15 669 546	16 296 294	16 771 058
Remuneration of councillors	154 923	161 297	167 521	189 675	189 675	189 675	179 826	187 739	196 375
Debt impairment	1 361 636	1 583 361	2 803 823	3 640 803	3 211 296	3 210 936	2 717 219	2 786 351	2 662 995
Depreciation & asset impairment	3 088 275	2 889 931	3 062 972	3 354 567	3 088 084	3 088 084	3 064 593	3 112 631	3 225 949
Finance charges	782 925	756 569	815 109	828 460	851 450	851 450	794 747	1 283 592	1 498 858
Bulk purchases - electricity	7 870 527	8 281 772	9 317 868	9 585 215	9 585 215	9 585 215	11 182 400	12 669 659	14 354 724
Inventory consumed	1 368 498	1 602 196	1 731 496	1 786 317	1 783 882	1 788 041	3 708 260	3 780 012	3 783 442
Contracted services	5 648 197	6 255 917	6 979 063	7 321 891	7 760 233	7 768 938	8 043 690	7 693 752	7 971 353
Transfers and subsidies	396 433	336 816	394 011	432 364	492 889	492 889	405 903	380 327	339 495
Other expenditure	1 868 111	1 835 240	2 036 997	2 707 073	2 786 388	2 774 986	2 666 663	2 945 759	3 140 830
Losses	20 399	33 077	26 246	2 037	2 153	2 166	14 124	14 222	14 322
Total Expenditure	33 507 363	36 164 110	40 216 322	45 144 505	44 706 334	44 706 334	48 446 971	51 150 337	53 959 401
Surplus/(Deficit)	3 360 563	4 117 674	2 209 331	(2 701 402)	(1 832 764)	(1 832 764)	(934 747)	(100 774)	(88 160)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 921 009	2 078 060	1 911 311	2 815 828	1 743 907	1 743 907	3 066 644	2 861 528	2 770 686
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	72 532	242 188	192 763	189 226	195 569	195 569	206 182	240 264	253 199
Transfers and subsidies - capital (in-kind - all)	5 716	2 860	60	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	5 359 820	6 440 782	4 313 465	303 652	106 711	106 712	2 338 078	3 001 018	2 935 726
Taxation	(118 548)	5 861	(34 396)	(25 520)	(104 011)	(104 011)	(43 779)	(8 762)	(8 764)
Surplus/(Deficit) after taxation	5 478 368	6 434 921	4 347 860	329 172	210 723	210 723	2 381 858	3 009 780	2 944 490
Attributable to minorities	89 825	(5 216)	(29 006)	(20 279)	(76 493)	(76 493)	(35 958)	(7 274)	(7 277)
Surplus/(Deficit) attributable to municipality	5 568 193	6 429 705	4 318 854	308 892	134 230	134 230	2 345 899	3 002 506	2 937 213
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	5 568 193	6 429 705	4 318 854	308 892	134 230	134 230	2 345 899	3 002 506	2 937 213

Table 103 - MBRR Table A5 - Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Community Services & Health	260 247	294 231	283 453	453 758	327 256	320 492	299 732	234 255	149 803
Vote 2 - Corporate Services	370 959	252 050	157 647	242 020	225 143	209 732	248 768	398 624	562 244
Vote 3 - Economic Opportunities & Asset Management	295 284	272 714	391 416	580 321	359 072	352 195	215 801	305 809	418 516
Vote 4 - Energy & Climate Change	1 024 550	749 456	622 239	1 049 131	852 722	799 006	1 014 657	1 162 227	1 486 852
Vote 5 - Finance	14 009	26 225	63 051	268 787	274 033	256 358	25 515	90 315	16 650
Vote 6 - Human Settlements	464 837	670 112	858 297	894 903	781 009	789 328	827 201	1 008 878	1 056 944
Vote 7 - Office of the City Manager	2 288	2 500	1 329	2 130	1 585	1 532	1 103	705	705
Vote 8 - Safety & Security	158 094	206 866	429 428	438 954	385 688	385 476	258 298	187 842	218 646
Vote 9 - Spatial Planning & Environment	42 434	57 070	54 776	157 205	133 448	124 297	141 722	221 453	263 653
Vote 10 - Transport	1 001 020	973 584	873 070	1 793 342	917 980	856 573	2 191 855	2 076 400	1 798 343
Vote 11 - Urban Management	17 308	22 429	57 350	81 503	66 978	62 141	46 729	86 577	92 577
Vote 12 - Water & Waste	1 952 589	1 789 054	2 178 611	3 643 819	3 050 982	2 983 078	3 043 384	3 337 462	5 411 185
Vote 13 - Cape Town International Convention Centre	115 960	66 087	56 408	75 483	23 531	23 531	11 172	20 472	25 737
Vote 14 - Cape Town Stadium	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Vote	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856
Capital Expenditure - Functional									
Governance and administration	1 207 303	953 790	940 353	1 396 272	1 126 808	1 088 305	893 761	1 149 711	1 383 158
Executive and council	4 328	3 413	4 114	19 414	19 176	19 200	5 052	3 527	3 693
Finance and administration	1 202 224	950 102	935 724	1 376 447	1 107 458	1 069 008	888 469	1 146 104	1 379 386
Internal audit	751	275	516	411	173	98	240	79	79
Community and public safety	811 812	988 852	1 371 591	1 833 488	1 553 524	1 538 640	1 211 834	1 322 114	1 348 928
Community and social services	131 174	83 095	87 086	121 397	99 760	94 778	74 151	79 857	69 505
Sport and recreation	94 055	88 538	85 176	357 122	336 147	317 123	98 585	63 487	57 184
Public safety	76 656	87 618	289 173	367 250	279 947	280 750	154 854	132 843	147 245
Housing	464 837	670 112	858 297	894 903	781 009	789 328	827 201	1 008 878	1 056 944
Health	45 090	59 489	51 860	92 816	56 662	56 660	57 042	37 050	18 050
Economic and environmental services	1 060 763	1 066 375	992 568	2 018 513	1 117 247	1 027 612	2 367 117	2 347 578	2 117 621
Planning and development	33 694	51 066	92 747	112 992	116 067	92 595	89 433	100 478	150 813
Road transport	1 008 733	988 308	879 876	1 791 572	917 696	856 800	2 190 255	2 076 084	1 798 028
Environmental protection	18 337	27 000	19 945	113 949	83 485	78 217	87 428	171 016	168 780
Trading services	2 516 840	2 292 473	2 664 218	4 338 922	3 565 756	3 473 079	3 831 805	4 289 295	6 624 562
Energy sources	930 773	736 092	593 665	1 027 660	829 841	786 391	1 012 157	1 157 727	1 480 352
Water management	893 393	921 660	993 839	1 287 888	1 290 857	1 287 392	966 786	1 301 998	2 164 011
Waste water management	583 306	533 320	883 414	1 465 161	1 023 931	1 025 895	1 350 020	1 457 639	2 496 950
Waste management	109 367	101 400	193 299	558 214	421 126	373 401	502 843	371 930	483 249
Other	122 861	80 887	58 346	94 162	36 094	36 103	21 422	22 322	27 587
Total Capital Expenditure - Functional	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856
Funded by:									
National Government	1 699 597	2 047 136	1 869 804	2 803 382	1 730 291	1 714 559	3 050 778	2 819 321	2 671 759
Provincial Government	33 285	22 430	36 561	12 446	13 616	13 616	15 866	42 207	98 927
District Municipality	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations)	72 532	49 804	40 480	67 986	65 486	63 634	72 198	100 117	106 745
Transfers recognised - capital	1 805 414	2 119 370	1 946 844	2 883 814	1 809 393	1 791 808	3 138 842	2 961 645	2 877 431
Borrowing	2 533 155	388 077	1 060 298	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Internally generated funds	1 381 010	2 874 929	3 019 933	4 297 543	5 590 035	5 371 931	2 687 097	1 669 375	1 624 424
Total Capital Funding	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856

Table 104 - MBRR Table A6 - Consolidated Budgeted Financial Position

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
ASSETS									
Current assets									
Cash	5 806 824	8 712 870	9 662 543	121 768	121 758	121 758	134 904	96 396	122 485
Call investment deposits	1 981 576	2 532 330	2 436 051	6 639 523	7 707 187	7 707 187	6 693 257	8 196 324	9 734 525
Consumer debtors	5 626 400	6 216 695	6 321 157	6 999 547	7 677 462	7 677 462	7 940 433	8 212 050	8 779 543
Other debtors	693 967	862 335	1 068 773	1 333 391	1 289 010	1 289 010	1 637 002	2 094 753	2 500 923
Current portion of long-term receivables	14 290	8 838	8 524	7 718	50 650	50 650	9 023	5 829	4 232
Inventory	473 318	438 058	434 472	529 916	456 769	456 769	472 375	489 186	506 336
Total current assets	14 596 375	18 771 125	19 931 519	15 631 864	17 302 835	17 302 835	16 886 995	19 094 538	21 648 044
Non current assets									
Long-term receivables	354 193	339 392	170 182	186 787	171 766	171 766	168 891	166 671	164 448
Investments	4 590 943	4 976 372	5 960 366	5 242 043	5 242 043	5 242 043	6 240 856	5 606 456	4 696 285
Investment property	584 713	582 961	581 247	579 534	579 533	579 533	577 820	576 107	574 393
Investment in Associate	–	–	–	–	–	–	–	–	–
Property, plant and equipment	43 736 668	46 292 153	49 595 908	56 199 764	54 064 540	54 064 540	59 205 472	65 058 419	73 202 390
Biological	–	–	–	–	–	–	–	–	–
Intangible	716 040	701 217	605 366	382 296	436 352	436 352	524 765	690 371	824 021
Other non-current assets	8 891	10 280	10 269	180 192	2 167 846	2 167 846	350 339	360 651	369 415
Total non current assets	49 991 448	52 902 375	56 923 338	62 770 615	62 662 080	62 662 080	67 068 144	72 458 675	79 830 953
TOTAL ASSETS	64 587 823	71 673 500	76 854 857	78 402 479	79 964 915	79 964 914	83 955 139	91 553 212	101 478 997
LIABILITIES									
Current liabilities									
Bank overdraft	–	–	–	–	–	–	–	–	–
Borrowing	378 608	429 527	448 446	628 487	407 221	407 221	1 565 429	2 054 389	2 852 395
Consumer deposits	409 823	452 347	532 450	529 964	463 181	463 181	481 759	505 313	527 729
Trade and other payables	7 180 977	7 182 715	7 578 029	6 663 992	8 266 675	8 266 675	7 530 256	7 891 005	8 020 622
Provisions	1 019 878	1 153 552	1 388 623	1 301 891	1 420 779	1 420 779	2 141 143	2 717 284	3 497 798
Total current liabilities	8 989 286	9 218 141	9 947 548	9 124 334	10 557 857	10 557 857	11 718 587	13 167 991	14 898 544
Non current liabilities									
Borrowing	6 501 227	6 277 657	6 876 669	9 784 054	6 580 592	6 580 592	7 589 127	9 957 474	14 363 090
Provisions	6 225 177	6 877 087	6 427 203	7 900 871	7 255 094	7 255 094	7 898 050	8 627 592	9 472 718
Total non current liabilities	12 726 404	13 154 744	13 303 872	17 684 925	13 835 686	13 835 686	15 487 177	18 585 067	23 835 808
TOTAL LIABILITIES	21 715 690	22 372 885	23 251 420	26 809 259	24 393 544	24 393 544	27 205 764	31 753 057	38 734 352
NET ASSETS	42 872 133	49 300 615	53 603 438	51 593 220	55 571 371	55 571 371	56 749 375	59 800 155	62 744 645
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	39 407 053	44 501 696	47 964 243	45 747 613	49 300 070	49 300 070	51 066 741	53 716 367	56 224 687
Reserves	3 465 080	4 798 919	5 639 195	5 845 607	6 271 301	6 271 301	5 682 634	6 083 787	6 519 958
TOTAL COMMUNITY WEALTH/EQUITY	42 872 133	49 300 615	53 603 438	51 593 220	55 571 371	55 571 371	56 749 375	59 800 155	62 744 645

Table 105 - MBRR Table A7 - Consolidated Budgeted Cash Flows

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	8 470 387	9 319 556	9 296 655	10 031 409	10 136 463	10 136 463	10 535 297	11 060 840	11 583 023
Service charges	18 160 336	20 600 259	19 396 197	18 045 505	18 364 553	18 364 553	21 618 057	23 940 774	26 492 630
Other revenue	2 812 264	2 263 623	3 894 095	4 358 171	4 011 400	4 011 400	4 083 382	4 477 378	4 555 459
Transfers and Subsidies - Operational	4 032 885	4 524 033	5 004 969	5 608 724	6 138 091	6 138 091	5 650 364	5 774 670	5 357 558
Transfers and Subsidies - Capital	1 733 466	2 079 448	1 911 311	2 815 828	1 873 990	1 873 990	3 200 628	3 001 675	2 917 140
Interest	1 173 010	1 447 788	1 663 503	855 610	979 768	979 768	855 344	912 648	884 379
Payments									
Suppliers and employees	(28 164 159)	(30 261 445)	(33 457 431)	(37 322 256)	(37 412 624)	(37 412 624)	(39 151 142)	(41 279 264)	(43 921 395)
Finance charges	(689 670)	(693 161)	(719 628)	(753 329)	(753 329)	(753 329)	(740 582)	(1 223 407)	(1 458 443)
Transfers and Grants	–	–	–	–	–	–	(403 779)	(378 203)	(337 371)
NET CASH FROM/(USED) OPERATING ACTIVITIES	7 528 519	9 280 101	6 989 671	3 639 662	3 338 312	3 338 312	5 647 568	6 287 112	6 072 978
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	98 669	152 679	85 608	117 986	119 486	119 486	124 139	154 448	163 521
Decrease (increase) in non-current receivables	15 030	7 513	10 826	3 390	36 963	36 963	122 249	40 903	(99)
Decrease (increase) in non-current investments	(629 444)	(936 183)	(886 819)	(298 475)	(298 475)	(298 475)	(331 962)	634 400	910 171
Payments									
Capital assets	(5 710 806)	(5 466 264)	(6 034 689)	(8 720 769)	(6 661 838)	(6 661 838)	(8 325 939)	(9 131 020)	(11 501 856)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(6 226 551)	(6 242 255)	(6 825 074)	(8 897 868)	(6 803 865)	(6 803 865)	(8 411 512)	(8 301 269)	(10 428 263)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	1 000 473	196 420	1 091 765	2 500 000	–	–	2 500 000	4 500 000	7 000 000
Increase (decrease) in consumer deposits	38 426	42 524	80 103	45 206	(13 344)	(13 344)	17 110	19 145	20 899
Payments									
Repayment of borrowing	(307 619)	(370 744)	(386 792)	(371 495)	(371 495)	(371 495)	(371 495)	(1 674 828)	(2 011 495)
NET CASH FROM/(USED) FINANCING ACTIVITIES	731 280	(131 800)	785 076	2 173 711	(384 839)	(384 839)	2 145 615	2 844 317	5 009 404
NET INCREASE/ (DECREASE) IN CASH HELD	2 033 248	2 906 046	949 673	(3 084 495)	(3 850 391)	(3 850 391)	(618 329)	830 160	654 120
Cash/cash equivalents at the year begin:	3 773 576	5 806 824	8 712 870	7 704 794	9 540 603	9 540 603	5 690 213	5 071 884	5 902 044
Cash/cash equivalents at the year end:	5 806 824	8 712 870	9 662 543	4 620 298	5 690 213	5 690 213	5 071 884	5 902 044	6 556 163

Table 106 - MBRR Table A8 - Consolidated Cash backed reserves/accumulated surplus reconciliation

Description R thousand	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<u>Cash and investments available</u>									
Cash/cash equivalents at the year end	5 806 824	8 712 870	9 662 543	4 620 298	3 190 213	3 190 213	5 071 884	5 902 044	6 556 163
Other current investments > 90 days	1 981 576	2 532 330	2 436 051	2 140 993	4 638 732	4 638 732	1 756 277	2 390 676	3 300 847
Non current assets - Investments	4 590 943	4 976 372	5 960 366	5 242 043	5 242 043	5 242 043	6 240 856	5 606 456	4 696 285
Cash and investments available:	12 379 343	16 221 572	18 058 960	12 003 334	13 070 987	13 070 987	13 069 017	13 899 176	14 553 295
<u>Application of cash and investments</u>									
Unspent conditional transfers	1 067 745	1 298 170	1 392 172	1 740 833	1 499 161	1 499 161	1 563 531	1 638 697	1 724 596
Unspent borrowing	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(190 695)	(1 167 586)	(850 112)	(2 911 737)	(1 735 672)	(1 735 672)	(3 288 208)	(3 717 366)	(4 615 340)
Other provisions	–	–	–	1 297 295	1 297 295	1 297 295	1 264 464	1 302 188	1 374 494
Long term investments committed	2 264 754	2 503 755	2 771 615	3 070 090	3 070 090	3 070 090	3 402 669	2 768 888	1 859 336
Reserves to be backed by cash/investments	3 465 080	4 798 919	5 905 551	4 568 179	6 271 301	6 271 301	4 915 091	5 052 256	5 467 144
Total Application of cash and investments:	6 606 884	7 433 259	9 219 226	7 764 660	10 402 175	10 402 175	7 857 547	7 044 663	5 810 230
Surplus(shortfall)	5 772 459	8 788 313	8 839 734	4 238 675	2 668 812	2 668 812	5 211 470	6 854 512	8 743 065

Table 107 - MBRR Table A9 - Consolidated Asset Management

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	2 975 976	2 691 491	2 625 271	4 728 132	3 336 611	3 241 596	4 246 845	4 499 897	5 114 047
Roads Infrastructure	601 711	587 481	509 029	1 422 501	566 295	543 673	1 848 230	1 675 160	1 170 215
Storm water Infrastructure	103 566	98 758	129 716	144 887	121 265	130 469	155 165	161 169	190 398
Electrical Infrastructure	426 255	319 606	186 867	463 936	426 664	416 813	346 389	405 320	335 669
Water Supply Infrastructure	433 731	519 126	686 393	672 970	749 752	748 214	446 177	398 961	770 527
Sanitation Infrastructure	110 946	187 147	160 537	403 632	301 349	306 702	276 400	570 736	1 029 304
Solid Waste Infrastructure	65 287	13 523	60 885	400 302	259 391	225 338	376 760	228 702	367 442
Coastal Infrastructure	–	–	–	764	336	336	2 000	8 644	–
Information and Communication Infrastructure	157 577	69 757	23 060	49 363	33 775	35 775	58 749	69 667	155 163
Infrastructure	1 899 072	1 795 398	1 756 487	3 558 355	2 458 827	2 407 320	3 509 871	3 518 360	4 018 717
Community Facilities	217 809	294 880	205 512	226 754	209 596	221 112	252 504	304 320	315 742
Sport and Recreation Facilities	1 149	534	658	1 035	2 472	1 472	4 000	–	–
Community Assets	218 957	295 414	206 170	227 789	212 068	222 584	256 504	304 320	315 742
Heritage Assets	–	–	–	30	30	30	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	305 510	123 469	140 022	350 448	103 630	91 578	105 055	107 068	199 686
Housing	8 113	18 822	7 515	37 414	34 582	17 089	11 566	57 615	65 692
Other Assets	313 622	142 291	147 537	387 862	138 213	108 667	116 621	164 684	265 378
Licences and Rights	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Intangible Assets	3 690	11 291	25 489	27 513	14 148	16 451	22 648	238 816	205 509
Computer Equipment	220 792	141 202	88 077	156 497	151 349	133 893	93 245	77 841	59 674
Furniture and Office Equipment	108 095	107 575	101 439	161 095	195 641	187 121	134 152	103 373	94 930
Machinery and Equipment	141 922	38 152	54 143	51 277	52 538	71 233	70 203	65 480	54 372
Transport Assets	68 313	155 011	207 284	124 713	92 635	73 135	22 600	11 125	86 060
Land	1 511	5 157	38 644	33 000	21 162	21 162	21 000	15 900	13 664
Total Renewal of Existing Assets	1 522 184	1 500 832	1 703 291	2 398 828	2 060 573	1 999 371	1 929 797	2 282 415	3 152 894
Roads Infrastructure	129 464	123 380	116 938	172 641	137 838	116 962	178 832	167 638	175 749
Storm water Infrastructure	34 565	27 376	16 684	54 608	20 488	20 488	22 047	29 304	30 861
Electrical Infrastructure	322 032	301 112	271 821	430 377	296 700	275 778	405 796	474 092	759 750
Water Supply Infrastructure	415 558	245 200	214 005	297 000	299 000	305 590	369 820	446 100	444 267
Sanitation Infrastructure	96 530	132 652	188 287	383 301	284 906	277 361	282 966	539 743	1 075 449
Solid Waste Infrastructure	–	–	189	–	–	–	–	–	10 000
Coastal Infrastructure	4 671	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	4 988	3 819	1 911	7 569	5 671	5 671	6 375	39 248	57 173
Infrastructure	1 007 807	833 539	809 834	1 345 496	1 044 603	1 001 849	1 265 835	1 696 125	2 553 249
Community Facilities	7 033	3 774	8 320	31 748	39 963	35 238	22 200	23 447	16 825
Sport and Recreation Facilities	439	–	–	1 900	9 785	9 629	6 500	–	–
Community Assets	7 471	3 774	8 320	33 648	49 748	44 867	28 700	23 447	16 825
Heritage Assets	430	5 074	988	1 257	902	902	744	1 550	–
Operational Buildings	26 761	20 599	11 793	57 245	48 377	41 627	37 972	27 906	22 160
Housing	20 163	50 012	127 394	125 261	111 696	109 815	57 129	69 795	69 795
Other Assets	46 924	70 611	139 186	182 506	160 073	151 442	95 101	97 701	91 955
Licences and Rights	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Intangible Assets	3 812	9 154	6 491	9 000	9 478	9 478	12 000	12 000	11 000
Computer Equipment	79 599	120 865	120 529	124 494	142 572	139 430	64 603	49 222	46 933
Furniture and Office Equipment	16 088	19 452	37 381	30 727	25 105	23 005	40 187	13 413	15 215
Machinery and Equipment	57 922	62 916	5 474	69 146	29 769	18 823	58 834	57 367	59 927
Transport Assets	302 131	375 447	575 088	602 555	598 323	609 574	363 793	331 591	357 791

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Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand									
CAPITAL EXPENDITURE									
Total Upgrading of Existing Assets	1 221 419	1 190 054	1 698 513	2 554 397	2 002 245	1 922 773	2 149 297	2 348 708	3 234 915
Roads Infrastructure	164 679	178 498	257 828	199 613	156 351	141 517	203 646	293 780	398 959
Storm water Infrastructure	8 219	4 893	17 916	110 247	24 579	22 817	114 453	183 850	153 939
Electrical Infrastructure	108 642	40 691	23 364	25 578	6 580	6 580	124 430	176 140	252 668
Water Supply Infrastructure	72 433	117 571	68 466	65 746	62 714	56 926	51 972	82 310	112 164
Sanitation Infrastructure	349 145	324 757	646 914	930 149	712 555	722 024	898 995	759 003	1 266 367
Solid Waste Infrastructure	13 115	12 233	75 204	61 724	64 225	55 112	50 949	62 227	13 674
Coastal Infrastructure	458	496	1 222	28 580	8 973	8 873	42 421	100 701	92 600
Information and Communication Infrastructure	–	–	17 314	15 954	14 835	14 241	66 043	36 807	49 701
Infrastructure	716 692	679 139	1 108 227	1 437 592	1 050 812	1 028 088	1 552 909	1 694 819	2 340 072
Community Facilities	128 224	152 533	155 707	278 183	207 988	206 462	179 248	191 330	184 201
Sport and Recreation Facilities	46 666	86 550	97 737	343 091	333 342	311 141	74 766	44 986	40 689
Community Assets	174 890	239 082	253 443	621 273	541 330	517 602	254 014	236 315	224 889
Heritage Assets	7 580	1 293	17	17 466	32 038	32 038	–	–	–
Operational Buildings	207 604	187 922	240 895	381 565	281 277	251 425	283 148	383 205	620 233
Housing	80 226	37 201	49 961	9 050	17 144	17 144	1 203	–	–
Other Assets	287 830	225 124	290 856	390 615	298 421	268 570	284 351	383 205	620 233
Licences and Rights	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Intangible Assets	7 205	23 908	14 700	37 351	41 178	48 550	6 912	8 750	7 350
Computer Equipment	13 072	225	13 134	34 200	25 559	16 033	49 811	22 318	36 380
Furniture and Office Equipment	12 534	11 048	13 813	6 277	6 902	6 383	300	300	990
Machinery and Equipment	1 616	10 234	4 322	9 623	6 004	5 509	1 000	3 000	5 000
Total Capital Expenditure	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856
Roads Infrastructure	895 854	889 359	883 795	1 794 756	860 485	802 151	2 230 708	2 136 579	1 744 923
Storm water Infrastructure	146 349	131 027	164 315	309 742	166 332	173 774	291 665	374 324	375 198
Electrical Infrastructure	856 928	661 410	482 052	919 891	729 943	699 171	876 615	1 055 552	1 348 087
Water Supply Infrastructure	921 723	881 896	968 864	1 035 716	1 111 466	1 110 729	867 969	927 372	1 326 958
Sanitation Infrastructure	556 621	644 555	995 738	1 717 083	1 298 810	1 306 086	1 458 361	1 869 482	3 371 120
Solid Waste Infrastructure	78 403	25 755	136 278	462 025	323 616	280 450	427 709	290 929	391 116
Coastal Infrastructure	5 129	496	1 222	29 344	9 309	9 209	44 421	109 345	92 600
Information and Communication Infrastructure	162 566	73 576	42 285	72 886	54 281	55 687	131 168	145 721	262 038
Infrastructure	3 623 572	3 308 076	3 674 548	6 341 442	4 554 241	4 437 257	6 328 616	6 909 303	8 912 039
Community Facilities	353 065	451 187	369 539	536 685	457 547	462 812	453 952	519 096	516 767
Sport and Recreation Facilities	48 253	87 084	98 395	346 026	345 598	322 242	85 266	44 986	40 689
Community Assets	401 318	538 271	467 934	882 710	803 145	785 053	539 218	564 082	557 456
Heritage Assets	8 010	6 367	1 005	18 753	32 970	32 970	744	1 550	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	539 875	331 990	392 710	789 257	433 284	384 630	426 175	518 180	842 079
Housing	108 502	106 035	184 870	171 725	163 422	144 049	69 898	127 410	135 487
Other Assets	648 377	438 026	577 579	960 982	596 707	528 679	496 073	645 590	977 566
Licences and Rights	14 707	44 353	46 681	73 865	64 805	74 480	41 560	259 566	223 859
Intangible Assets	14 707	44 353	46 681	73 865	64 805	74 480	41 560	259 566	223 859
Computer Equipment	313 464	262 291	221 740	315 192	319 481	289 356	207 659	149 381	142 986
Furniture and Office Equipment	136 717	138 075	152 633	198 099	227 648	216 509	174 639	117 086	111 135
Machinery and Equipment	201 460	111 302	63 939	130 046	88 311	95 565	130 037	125 847	119 299
Transport Assets	370 443	530 458	782 372	727 267	690 958	682 709	386 393	342 716	443 851
Land	1 511	5 157	38 644	33 000	21 162	21 162	21 000	15 900	13 664
TOTAL CAPITAL EXPENDITURE - Asset class	5 719 579	5 382 377	6 027 076	9 681 357	7 399 428	7 163 740	8 325 939	9 131 020	11 501 856

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Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSET REGISTER SUMMARY - PPE (WDV)	44 463 379	46 989 651	50 273 369	56 627 881	54 798 400	54 798 400	60 099 326	66 144 216	74 441 718
<i>Roads Infrastructure</i>	9 038 537	9 498 494	9 887 288	11 637 380	10 324 008	10 324 008	12 084 118	13 724 587	14 952 887
<i>Storm water Infrastructure</i>	765 168	890 174	984 602	1 226 717	1 093 609	1 093 609	1 326 664	1 642 048	1 955 338
<i>Electrical Infrastructure</i>	7 076 484	7 421 931	7 773 701	8 335 223	8 254 122	8 254 122	8 867 626	9 645 555	10 709 949
<i>Water Supply Infrastructure</i>	2 948 124	3 885 066	4 639 021	5 259 875	5 586 709	5 586 709	6 269 908	6 996 963	8 106 545
<i>Sanitation Infrastructure</i>	3 259 714	3 406 106	3 538 615	5 564 635	4 681 156	4 681 156	5 974 736	7 661 962	10 846 916
<i>Solid Waste Infrastructure</i>	466 031	534 135	521 723	1 067 505	808 888	808 888	1 202 467	1 455 363	1 790 863
<i>Coastal Infrastructure</i>	117 984	148 977	143 782	168 029	147 398	147 398	186 089	289 126	373 053
<i>Information and Communication Infrastructure</i>	3 810 497	3 997 604	4 761 803	3 979 070	4 736 403	4 736 403	4 781 956	4 839 466	5 011 473
Infrastructure	27 482 539	29 782 489	32 250 535	37 238 434	35 632 291	35 632 291	40 693 563	46 255 069	53 747 025
Community Assets	6 271 699	6 244 428	6 179 196	6 859 610	6 657 486	6 657 486	6 816 275	6 990 272	7 145 473
Heritage Assets	8 891	10 280	10 269	10 280	10 269	10 269	10 269	10 269	10 269
Investment properties	584 713	582 962	581 247	579 534	579 533	579 533	577 820	576 106	574 392
Other Assets	5 213 603	5 116 851	4 747 938	6 147 824	5 051 232	5 051 232	5 245 928	5 558 452	6 165 297
Intangible Assets	716 040	693 178	599 678	506 711	501 157	501 157	401 091	555 420	684 435
Computer Equipment	586 327	593 657	572 357	635 029	651 830	651 830	633 916	575 642	524 290
Furniture and Office Equipment	351 339	338 363	356 140	469 108	474 195	474 195	532 357	538 741	529 524
Machinery and Equipment	507 179	544 245	526 554	495 671	484 105	484 105	479 284	473 276	462 072
Transport Assets	1 718 576	2 060 727	3 329 467	2 661 097	3 637 651	3 637 651	3 592 371	3 501 815	3 499 321
Land	1 022 473	1 022 473	1 119 988	1 024 585	1 118 650	1 118 650	1 116 453	1 109 155	1 099 621
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	44 463 379	46 989 651	50 273 369	56 627 881	54 798 400	54 798 400	60 099 326	66 144 216	74 441 718
EXPENDITURE OTHER ITEMS	6 897 316	6 703 917	6 806 633	7 973 804	7 193 704	7 195 294	7 332 919	7 552 504	7 855 639
<u>Depreciation</u>	3 087 251	2 886 135	3 060 773	3 354 567	3 088 084	3 088 084	3 041 396	3 089 433	3 202 751
<u>Repairs and Maintenance by Asset Class</u>	3 810 065	3 817 782	3 745 860	4 619 237	4 105 620	4 107 210	4 291 523	4 463 070	4 652 888
<i>Roads Infrastructure</i>	588 798	596 375	555 000	756 245	584 660	584 660	637 154	666 464	696 456
<i>Storm water Infrastructure</i>	–	–	–	126 779	92 428	92 428	140 345	146 801	153 408
<i>Electrical Infrastructure</i>	484 296	507 109	474 450	518 758	519 720	519 720	542 654	567 553	593 043
<i>Water Supply Infrastructure</i>	487 625	400 456	389 894	346 775	340 310	339 019	411 499	430 425	449 789
<i>Sanitation Infrastructure</i>	437 208	384 042	437 293	316 303	329 747	328 288	334 708	350 104	365 854
<i>Solid Waste Infrastructure</i>	2 553	1 728	1 384	7 281	9 119	9 119	8 653	9 051	9 458
<i>Coastal Infrastructure</i>	–	–	–	2 150	5 094	5 094	3 994	3 994	3 994
Infrastructure	2 000 480	1 889 711	1 858 022	2 074 290	1 881 078	1 878 328	2 079 007	2 174 391	2 272 002
Community Facilities	117 431	120 476	116 996	699 726	361 728	367 237	228 329	236 351	244 524
Sport and Recreation Facilities	379 229	386 154	384 763	86 081	91 790	91 790	95 972	101 597	107 545
Community Assets	496 660	506 630	501 759	785 806	453 518	459 027	324 301	337 947	352 069
Heritage Assets	730	266	219	2 666	5 229	5 246	1 912	1 941	1 971
Revenue Generating	229	132	57	18 110	11 054	11 054	20 375	21 343	22 455
Non-revenue Generating	20 497	3 328	152	17	9	9	11	11	11
Investment properties	20 726	3 459	209	18 127	11 063	11 063	20 386	21 354	22 466
Operational Buildings	143 284	161 132	125 817	225 448	277 419	272 776	189 833	194 580	200 475
Housing	–	–	–	2 937	12 907	12 907	14 990	14 990	14 990
Other Assets	143 284	161 132	125 817	228 385	290 326	285 683	204 823	209 570	215 466
Computer Equipment	246 521	214 045	159 862	458 620	377 932	380 516	427 869	432 191	449 123
Furniture and Office Equipment	430 696	572 073	705 317	569 056	683 121	683 995	770 057	801 511	834 041
Machinery and Equipment	–	–	–	2 512	2 665	2 665	2 069	2 159	2 252
Transport Assets	470 969	470 466	394 655	479 775	400 687	400 687	461 100	482 006	503 500
TOTAL EXPENDITURE OTHER ITEMS	6 897 316	6 703 917	6 806 633	7 973 804	7 193 704	7 195 294	7 332 919	7 552 504	7 855 639
Renewal and upgrading of Existing Assets as % of total capex	48.0%	50.0%	56.4%	51.2%	54.9%	54.7%	49.0%	50.7%	55.5%
Renewal and upgrading of Existing Assets as % of deprecn	88.9%	93.2%	111.1%	147.7%	131.6%	127.0%	134.1%	149.9%	199.4%
R&M as a % of PPE	8.7%	8.2%	7.6%	8.2%	7.6%	7.6%	7.2%	6.9%	6.4%
Renewal and upgrading and R&M as a % of PPE	15.0%	14.0%	14.0%	17.0%	15.0%	15.0%	14.0%	14.0%	15.0%

Table 108 - MBRR Table A10 - Consolidated Basic Service Delivery Measurement

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets									
Water:									
Piped water inside dwelling	1 132 666	1 190 854	1 214 760	1 256 146	1 256 146	1 256 146	1 310 286	1 334 999	1 359 469
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	157 038	165 105	168 419	174 157	174 157	174 157	181 663	185 090	188 482
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	1 211 917	1 263 952	1 285 080	1 329 491	1 329 491	1 329 491	1 384 841	1 409 654	1 434 124
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	30 575	32 185	35 120	39 765	39 765	39 765	62 330	62 330	62 330
Pit toilet (ventilated)	197	197	197	197	197	197	197	197	197
Other toilet provisions (> min.service level)	46 798	59 553	62 633	60 850	60 850	60 850	44 581	47 908	51 300
<i>Minimum Service Level and Above sub-total</i>	1 289 487	1 355 887	1 383 030	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Bucket toilet	217	72	149	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	217	72	149	–	–	–	–	–	–
Total number of households	1 289 704	1 355 959	1 383 179	1 430 303	1 430 303	1 430 303	1 491 949	1 520 089	1 547 951
Energy:									
Electricity (at least min.service level)	828 552	841 791	883 767	844 791	844 791	844 791	883 767	883 767	883 767
Electricity - prepaid (min.service level)	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	828 552	841 791	883 767	844 791	844 791	844 791	883 767	883 767	883 767
Electricity (< min.service level)	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	33 566	31 126	29 130	28 126	28 126	28 126	26 130	24 630	23 130
Total number of households	862 118	872 917	912 897	872 917	872 917	872 917	909 897	908 397	906 897
Refuse:									
Removed at least once a week	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
<i>Minimum Service Level and Above sub-total</i>	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
Total number of households	931 820	944 616	958 534	935 447	935 447	935 447	954 156	973 239	992 704
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	231 793	267 325	270 025	253 851	253 851	253 851	250 413	250 413	250 413
Sanitation (free minimum level service)	255 733	267 325	270 025	253 851	253 851	253 851	250 413	250 413	250 413
Electricity/other energy (50kwh per household per month)	195 564	183 070	166 389	183 070	183 070	183 070	184 570	186 070	187 570
Refuse (removed at least once a week)	317 665	304 437	310 526	257 328	257 328	257 328	270 056	275 457	280 966
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	314 306	368 203	449 106	408 131	408 131	408 131	441 368	463 436	486 608
Sanitation (free sanitation service to indigent households)	178 254	233 221	232 446	251 148	251 148	251 148	295 201	309 961	325 459
Electricity/other energy (50kwh per indigent household per month)	160 638	125 999	125 999	133 559	133 559	133 559	119 430	137 344	157 946
Refuse (removed once a week for indigent households)	276 709	280 000	287 133	220 282	220 282	220 282	311 132	317 354	323 701
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	472 874	534 234	612 579	699 470	699 470	699 470	1 186 904	1 256 954	1 332 408
Total cost of FBS provided	1 402 781	1 541 657	1 707 262	1 712 590	1 712 590	1 712 590	2 354 034	2 485 049	2 626 123

Table continues on next page.

Description	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Highest level of free service provided per household									
Property rates (R value threshold)	–	–	–	285 000	285 000	285 000	285 000	285 000	285 000
Water (kilolitres per household per month)	6	6	11	11	11	11	11	11	11
Sanitation (kilolitres per household per month)	4	4	7	7	7	7	7	7	7
Sanitation (Rand per household per month)	–	–	–	–	–	–	–	–	–
Electricity (kwh per household per month)	60	60	60	60	60	60	60	60	60
Refuse (average litres per week)	240	240	240	240	240	240	240	240	240
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	1 357 933	1 450 216	1 191 840	1 241 212	1 267 500	1 267 500	1 358 195	1 426 105	1 527 786
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	29 133	28 319	41 885	30 904	30 904	30 904	31 679	33 137	34 628
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	1 387 066	1 478 535	1 233 725	1 272 116	1 298 404	1 298 404	1 389 874	1 459 241	1 562 414

2.22 Municipal manager's quality certificate

I, **LUNGELO MBANDAZAYO**, municipal manager of **CITY OF CAPE TOWN (CPT)**, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act, and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan (IDP) of the municipality.

Print Name: _____

Municipal Manager of City of Cape Town (CPT)

Signature _____

Date _____