



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE B

HIGH LEVEL SUMMARY OF CHANGES BETWEEN THE TABLED- AND PROPOSED 2022/23 BUDGET

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Amendments to the tabled budget catered for requirements only known subsequent to tabling of the 2022/23 budget, administrative transfers of budgetary provisions and updated grant funding allocations. The amendments to the 2022/23 tabled budget are listed below.

A. 2022/23 OPERATING BUDGET

- Additional allocations incorporated into the tabled budget for adoption**

Directorate	Amount	Reason for amendments
Expenditure Adjustments		
Finance	300 000	Funds required for the budget- and tariff advert to accommodate the expected costs based on updated information and recent trends. To be funded within Rates.
Finance	9 766 853	Funds required for renewal premiums of existing insurance cover for the City's General Insurance Fund. Premium increases are mainly due to the increase in declared asset values to be insured, as well as a major increase in South African Special Risk Insurance Association (SASRIA) premiums. The increase will be funded within the Insurance Fund.
Corporate Services	18 000 000	Funds required for Centralisation of Fleet Tenders and Contract Management to address backlogs, improve turn-around times, quality- and vendor management and to maximise in-house capacity within workshops. To be funded within Rates.
Safety & Security	1 000 000	Funds required for the procurement of neighbourhood watch equipment. To be funded within Rates.
Urban Waste Management	10 000 000	Funds required for Area Cleaning on the N2. To be funded within Rates.
Office of the City Manager	6 610 120	Additional allocation to increase Municipal Court capacity in order to reduce current backlogs. To be funded from the projected additional traffic fine revenue that will be generated.
Revenue Adjustments		
Safety and Security	9 500 000	Increase on Fines Revenue linked to additional Municipal Court capacity.

- **Update on Provincial grants and donations (as per Provincial Gazette Extraordinary 8566 Dated 14 March 2022) and Other grants and donations**

Description	Amount	Comment
Provincial Grants		
Provide resources to serve in the City of Cape Town Law Enforcement Service (LES)	(2 000 000)	Decrease within Safety & Security directorate.
Resourcing Funding for Establishment and Support of a K9 Unit	(1 783 000)	Decrease within Safety & Security directorate.
Primary Health	(9 375 000)	Decrease within Community Services & Health directorate.
Integrated Nutrition	(180 000)	Decrease within Community Services & Health directorate.
HIV and Aids	6 675 000	Increase within Community Services & Health directorate.
Human Settlement Development Grant	(6 370 000)	Decrease within Human Settlements directorate.
Municipal Accreditation and Capacity Building Grant	2 500 000	Increase within Finance directorate.
Title Deeds Restoration Grant	11 129 000	Increase within Human Settlements directorate.
Transport Systems - Rail Safety	(20 000 000)	Decrease within Urban Mobility directorate.
Provide resources for the Tourism Safety Law Enforcement Unit project	(6 000 000)	Decrease within Safety & Security directorate.
Provincial Library Services: Conditional grant	4 180 000	Increase within Community Services & Health directorate.
Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	(91 000)	Decrease within Community Services & Health directorate.
Community Development workers (CDW) operational support grant	33 000	Increase within Corporate Services directorate.
Other Grants and Donations		
Private Funding	7 745 324	Increase within Safety & Security directorate for the deployment of part time law enforcement- and traffic officers at schools and within City Improvement districts.
Private Funding	(3 000 000)	A decrease within the Water & Sanitation directorate relating to the KFW technical assistance grant.

- **Shifting of Public Transport Network Grant funding amounting to R27.26 million from the capital budget to the operating budget for Public Transport Interchange projects within the Urban Mobility directorate.**

B. 2022/23 CAPITAL BUDGET

Amendments included re-prioritisation of projects in certain directorates, i.e. Community Services, Corporate Services, Energy, Future Planning & Resilience, Human Settlements, Urban Mobility, and Water & Sanitation, to align with latest implementation plans.

Amendments also included sub council supported resolutions resulting in the re-allocation of budgetary provision to implementing line functions post confirmation of project support by newly elected Ward Councillors. A few projects/items required movement from the capital budget to the operating budget due to the nature of expenditure.

A few additional allocations were also incorporated into the 2022/23 budget, namely:

- R1 million for laptops, tools and equipment, and furniture to capacitate additional staff in the Fleet Management section to deliver on the centralisation of fleet contracts and tenders as well as the upgrading of fleet workshops.
- R1.3 million for CCTV cameras, IT equipment and office equipment where this expenditure would permit the archiving of records, which currently sit in holding cells and in an entire extra court in Cape Town. This investment will allow the functioning/utilisation of the second court, which would generate additional revenue, as an additional court could accommodate a second court roll.
- R7 million to purchase additional radios, vehicles, firearms, computers and EPIC devices in the Law Enforcement department to meet the requirements of the Facilities Protection Officers (FPO)/Escorts projects.
- R8.1 million for Hanover Park Ablutions Upgrade, Bonteheuwel Ablutions Upgrade, Kuyasa MPC Alterations & additions, Kuyasa MPC Parking area fencing as well as Khayelitsha MVR Office roof refurbishment, which are facilities in need of rehabilitation/upgrades.

The table below reflects the high-level changes per major funding source between the March tabled budget and the May proposed budget.

Major Funding Sources R'000	Tabled Budget 2022/23	Proposed Budget 2022/23	Diff between March and May 2022/23	Tabled Budget 2023/24	Proposed Budget 2023/24	Diff between March and May 2023/24	Tabled Budget 2024/25	Proposed Budget 2024/25	Diff between March and May 2024/25
Capital Grants and Dontations (CGD)	2 301 591	2 271 867	(29 724)	2 657 630	2 643 500	(14 131)	3 567 068	3 551 397	(15 671)
Capital Replacement Reserve (CRR)	1 463 493	1 364 428	(99 065)	1 328 058	1 396 854	68 795	1 320 200	1 338 406	18 206
External Financing Fund (EFF)	3 966 348	3 750 729	(215 619)	6 960 152	6 860 926	(99 226)	7 696 363	7 764 168	67 805
Revenue	91 369	80 369	(11 000)	105 536	93 036	(12 500)	44 524	44 524	–
Grand Total	7 822 801	7 467 394	(355 407)	11 051 377	10 994 316	(57 061)	12 628 155	12 698 496	70 341

In summary, the net result of the proposed changes on the 2022/23 MTREF per directorate are:

Directorate R'000	Tabled Budget 2022/23	Budget 2022/23	Diff between March and May 2022/23	Tabled Budget 2023/24	Budget 2023/24	Diff between March and May 2023/24	Tabled Budget 2024/25	Budget 2024/25	Diff between March and May 2024/25
Community Services & Health	295 958	244 533	(51 426)	345 062	371 996	26 934	336 169	350 661	14 492
Corporate Services	463 165	395 619	(67 546)	872 188	961 376	89 188	749 408	749 408	–
Economic Growth	48 748	48 748	–	30 091	30 091	–	50 154	50 154	–
Energy	1 195 687	1 012 134	(183 553)	1 302 592	1 255 103	(47 489)	1 290 794	1 131 614	(159 181)
Finance	18 229	18 129	(100)	26 237	26 237	–	40 296	40 296	–
Future Planning & Resilience	32 415	26 415	(6 000)	17 840	11 840	(6 000)	21 480	17 230	(4 250)
Human Settlements	856 189	884 428	28 240	953 801	900 561	(53 240)	1 034 618	1 009 618	(25 000)
Office of the City Manager	12 029	13 329	1 300	24 290	24 290	–	1 256	1 256	–
Safety & Security	240 755	236 735	(4 020)	222 802	210 302	(12 500)	315 458	315 458	–
Spatial Planning & Environment	209 355	217 455	8 100	338 189	338 689	500	308 010	311 010	3 000
Urban Mobility	1 459 528	1 379 126	(80 402)	2 057 856	2 071 856	14 000	2 933 909	2 973 446	39 537
Urban Waste Management	647 002	647 002	–	767 444	790 916	23 472	746 713	764 880	18 167
Water & Sanitation	2 343 741	2 343 741	–	4 092 985	4 001 058	(91 927)	4 799 891	4 983 466	183 575
Grand Total	7 822 801	7 467 394	(355 407)	11 051 377	10 994 316	(57 061)	12 628 155	12 698 496	70 341