



CITY OF TSHWANE INTEGRATED DEVELOPMENT PLAN

**SECOND REVISION
(MAY 2008) FOR
2008/09 - 2010/11**



**IDP
2006 - 2011**

CITY OF TSHWANE METROPOLITAN MUNICIPALITY

TSHWANE INTEGRATED DEVELOPMENT PLAN (TIDP) 2006 - 2011

SECOND REVISION: MAY 2008

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CHAPTER 1: INTRODUCTION AND BACKGROUND

Since the first democratic elections in South Africa in 1994, the nature and functions of municipalities changed drastically. There is now greater emphasis on the developmental role of local government.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security.

The MSA, Section 25 Subsection (1) prescribes that a municipal council must at the start of its elected term adopt a single, inclusive and Strategic Plan for the development of the municipality.

This IDP is for the years 2008-2011, the remaining 3 years of the five year term of office of the current Council. It is the second amendment of the approved IDP 2006-2011. The first amendment was approved by Council in May 2007.

The draft second revision of the IDP (2008-2011) was submitted for public comments from 1 April to 15 May 2008 as prescribed in the Local Government: Municipal Planning and Performance Management Regulations, 2001.

The key chapters of the IDP are as follows:

Chapter 2: Provides an analysis of the status quo in the City of Tshwane, which includes the analysis of community needs identified during the community participation processes.

Chapter 3: Provides information on the Development Priorities of the CoT.

Chapter 4: Contains the Financial Plan of the CoT.

Chapter 5: Contains information on the Performance Management System (PMS) of the Municipality.

1.1 THE INSTITUTIONAL CONTEXT OF THE CoT

The City of Tshwane is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as determined in terms of the Local Government: Municipal Demarcation Act, 1998.

The Council consists of political structures, an administrative component and the community. Decisions are taken through an Executive Mayoral Committee System, which duties and responsibilities are defined to ensure proper decision making and allocation of funds. The Council must adhere to the Protocol of Corporate Governance in the Public Sector, 1997 and a whole host of relevant directive legislation.

There are various decision making structures within Council which include the following:

- Municipal Council;
- Executive Mayor and Mayoral Committee;
- Portfolio Committees, including:
 - Section 80 Committees;
 - Section 79 Committees;
- Officials with delegated powers.

Directed by the Municipal Systems Act, 2000 the City actively seeks community participation in matters affecting the community. Participation is established through a ward system, of which there are 76 wards within the municipal area. The central role of ward committees is to facilitate local community participation in decisions which affect the local community; to articulate local community interests; and to represent these interests within the municipal governing structures.

The City of Tshwane is made up of 76 community wards, which are divided into 5 administrative regions. The five regions are:

- North West region
- North East region
- Central Western region
- Southern Region
- Eastern Region

The five administrative regions were established through the Alternative Service Delivery process. They are not satellite offices, but when fully resourced are expected to deliver a full suite of services to the wards that fall within these regions.

1.2 BRIEF OVERVIEW OF THE PROCESS TO DEVELOP THE 2ND REVIEWED IDP

The Tshwane IDP was approved by Council on 31 May 2006. The first revision of the IDP was approved by Council on 31 May 2007. This informed the Municipality's financial and institutional planning, and the drafting of the 2007/08 Medium Term Revenue and Expenditure Framework (MTREF). The second revision has similarly guided the development of the 2008/09 MTREF.

The TIDP Process Plan which authorized the second revision was approved by Council on 27 September 2007.

Community participation to verify needs took place from 8 October 2007 to 6 November 2007 as follows:

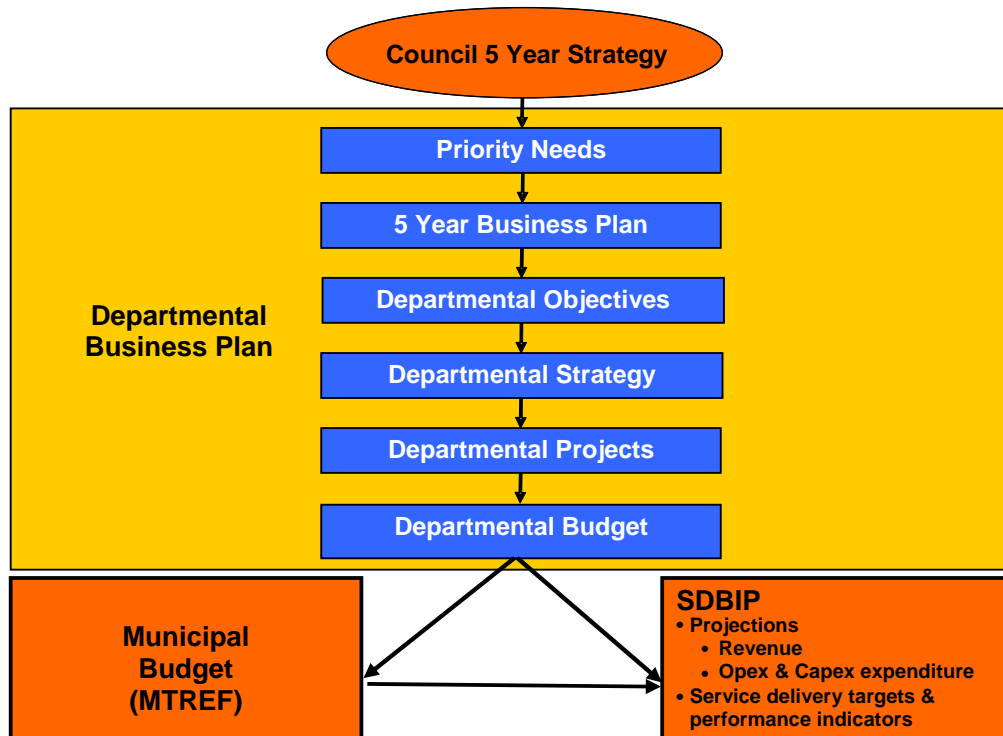
- Ward Committees and ward Councillors were the conduit for obtaining community information.
- The Speakers office supervised the community consultation processes.
- Advertisements were placed in newspapers informing communities of the proposed IDP review process.
- Base information including status quo information on the status of old needs was shared with ward Councillors for guiding the needs verification process.
- Needs were received and registered on a needs database.
- Ward based needs assessment was done and submitted to line function departments to guide their business planning.
- Engagement also took place with Provincial Departments regarding their commitments to the City, and this information was utilised in the departmental business planning processes.

The CoT departments then developed business plans and budget requests in line with the needs and priorities of Council. Projects contained in the Departmental Business Plans and the TIDP do not necessarily deal with each of the localised needs as identified/reported by the community. The City of Tshwane Budget does not address each individual need as a project to be implemented, but rather focuses on the larger scale individual projects/programmes, as well as funding allocated to collective budget items e.g. road maintenance, signage, fencing etc. Ward Committees, through their Ward Councillors, were advised to liaise directly with Heads of Department to ensure that specific small-scale projects are being implemented through allocation of a portion of the funding allocated to the collective budget items.

It is important to note that new projects designed to address the new needs identified do not necessarily get implemented in the following financial year due to planning preparation lead time needed, and budget priorities and constraints.

The context of departmental business planning in the IDP process is depicted below:

Diagram 1.2: Context of Departmental Business Plan in IDP Process



The community comments period on the draft second revision IDP 2006 -2011 took place between 1 April and 15 May 2008 as follows:

- The Speakers office supervised the community consultation processes.
- Advertisements were placed in newspapers informing communities of the availability of the draft IDP for comments.
- 9 Zonal meetings were scheduled with councillors, ward committees and community based organisations/stakeholders, of which 7 took place.
- Communities and stakeholders submitted comments, most of which contained additional needs that were already in line with the needs assessment as in chapter 2 of this document.

In total it is estimated that approximately 20 000 people provided input and feedback on the IDP during the second revision process.

CHAPTER 3: COT DEVELOPMENT STRATEGIES

This section of the IDP is based on the five year strategic programme of action, which was compiled at the start of the political term (March 2006).

VISION AND MISSION

Mission
To enhance the quality of life of all the people in the City of Tshwane through a developmental system of local government and by rendering efficient, effective and affordable services.
Vision
To establish Tshwane as the leading African Capital City of Excellence that empowers the community to prosper in a safe and healthy environment.

CORE VALUES AND OPERATING PRINCIPLES

- Deliver on the mandate of the people of Tshwane;
- Ensure continuity and make changes by reviewing and aligning where necessary to achieve delivery;
- Achieve state- led development through an effective intergovernmental relations system (IGR);
- Drive integrated development;
- Ensure transparency and accountability;
- Provide quality service delivery and implement Batho Pele;
- Build institutional capacity and achieve transformation;
- Develop strategic partnerships;
- Use e-governance as a means to bring government closer to the people;
- Achieve people-centred development.

3.1 CITY OF TSHWANE DEVELOPMENT PRIORITIES

3.1.1 STRATEGIC OBJECTIVES AND KEY PERFORMANCE AREAS

The five strategic objectives of the City as approved at end May 2006 remain priorities for the City, based on the assessment of the needs identified by our communities, as well as the intergovernmental policy requirements.

The CoT 5 strategic objectives

1. Provide quality basic services and infrastructure
2. Facilitate higher and shared economic growth and development
3. To fight poverty, build clean, healthy, safe and sustainable communities
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service
5. To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate

Key performance areas

The key performance areas of the City remain predominantly the same as approved in the five year strategic programme. However, due to lessons learned from the past two years of implementation, the City level scorecard has been refined, without compromising on the objectives of the TIDP 2006-2011. We have focused on improving the measurability of the key performance areas and objectives, and on ensuring achievability due to available allocated resources.

In line with the MFMA and the Systems Act, we have divided the City's Scorecards into three levels:

- a. A city level where the focus is on strategies to be implemented with other role players outside of the municipality. This is strategic in nature.
- b. A municipal level where the focus is on strategies that will be implemented by the municipality as the accountable role player. This is more operational and will be unpacked in the city's service delivery and budget implementation plan (SDBIP) as per the MFMA.
- c. Departmental level where the focus becomes the departmental responsibilities toward the municipal strategies. This is very operational and are internal documents utilised as implementation monitoring plans.

The city level scorecard as in (a) above is attached below. It reflects on the matters that will be reported on annually to the Council, upon which the SDBIP for 0809 will be developed. The city scorecard focuses on City level outputs and outcomes and is strategic in nature.

Unlike in the approved TIDP 2006-2011, this reviewed IDP does not include municipal and departmental detailed scorecards as mentioned in (b +c) above. As per legislation, detailed municipal and departmental scorecards will be developed through the SDBIP process, once the budget is approved by Council, and will be reported on quarterly to Council.

The approved budget will reflect on the **inputs** towards achieving the strategic objectives.

The City will therefore focus on the following key performance areas.

Strategic Objective	Key performance areas
1: Provide quality basic services and infrastructure	<ul style="list-style-type: none"> • Provide electricity • Provide water • Provide sanitation • Provide waste removal • Provide housing • Provide roads and stormwater • Provide public transport • Provide city planning services. • Maintaining the infrastructure of the City
2: Facilitate higher and shared economic growth and development	<ul style="list-style-type: none"> • Facilitating higher economic growth • Facilitating shared growth
3: To fight poverty, build clean, healthy, safe and sustainable communities	<ul style="list-style-type: none"> • Fight poverty • Provide health care services • Decrease the crime levels together with strategic partners such as SAPS • Ensure the safety of our communities, businesses and roads. • Promote viable sustainable communities

Strategic Objective	Key performance areas
4: Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service	<ul style="list-style-type: none"> • Promote environmental sustainability • Optimise effective participation in the ward committee system • Implement Batho Pele
5: To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate	<ul style="list-style-type: none"> • Ensure that the CoT is financially viable • Ensure sound HR management in the City • Ensure institutional transformation; and • Ensure good governance

Tracking changes in indicators on the IDP

The following changes have taken place in the IDP since its approval in May 2006.

Strategic Objective 1: Provide quality basic services and infrastructure

An aggregated indicator was required for the city level scorecard which would give an indication of progress in this strategic objective.

The National Key Performance Indicator "% of households with access to basic or higher level of electricity/water/sanitation/ solid waste removal" was utilised. In this indicator the progress of the municipality with eradication of backlogs, as well as its ability to deal in collaboration with the private sector with growth, would become evident. Although there are other indicators in the initial 5 year programme, they were more operational and are more indicative of the municipality's responsibilities, e.g. connections made and have been included in the relevant, (Municipal or Departmental) level scorecards.

Indicators were developed to monitor implementation on a city level in an aggregated manner for housing delivery. Another indicator to monitor the usage of the public buses by the public was also added to the city scorecard.

Strategic Objective 2: Facilitate higher and shared economic growth and development

On the city level the indicators are divided into two key areas, namely the facilitation of economic growth and ensuring that the growth is a shared growth. The following indicators were found to be immeasurable and therefore removed:

- The nr or COT LED initiatives (incl. capital projects) that focus on strategic and growing sectors as a proportion of the total;
- Hrs in the day travelled between home and work;
- % of inner city regeneration compared to the total need in terms of
 - a) businesses,
 - b) open space,
 - c) social infrastructure,
 - d) economic infrastructure,
 - e) historical buildings

Indicators that contribute to the growth or the shared growth were instead put onto the municipal or departmental level scorecards.

Strategic Objective 3: To fight poverty, build clean, healthy, safe and sustainable communities

The development of aggregated indicators for this strategic objective posed a challenge. The following new indicators are included:

- % of Tshwane population living below R3000-00 p.a. (in constant 2000 rand)(Poverty head count index)
- % of conservation areas proclaimed

The following indicators that were used for the previous cycle were found to be immeasurable and removed:

- Nr of essential skills development initiatives implemented in communities in partnership with key role-players such as the SETA's and in line with the sector skills plans
- % of settlements close to economic opportunities

Some indicators were re-allocated to the municipal and departmental level scorecards.

Strategic Objective 4: Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service

The indicators in the 2006-2011 revised IDP of May 2007 were found to be too operational for a city level and therefore only the following indicators remain:

- Nr of ward committees that are working effectively
- % of residents surveyed who indicated satisfaction with CoT responsiveness

Strategic Objective 5: To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate

A number of challenges in measuring the indicators were experienced inter alia duplication and indicators that were too operational for a city level scorecard. The operational indicators were moved to the municipal and departmental scorecards.

The following indicators were removed:

- The degree to which CoT programmes, projects and initiatives respond to the needs and priorities of its communities (not measurable on an annual basis – evaluation that could be done only every 5-10 years)
- Degree of integration between CoT and other spheres of government in the delivery of critical programmes or initiatives (not measurable)
- The degree to which CoT risk management practices reflect international best practices, norms and standards. (not measurable)
- % of human resource practices that reflect best practice and compliance with legislation
- % of rare and essential skills retained per job category
- Degree of response of ICT to organisational service delivery needs
- The level to which the organisational structure supports the achievement of the 5 yr programme
- The degree to which the culture of the CoT achieves good governance and service delivery (Nr of critical bottlenecks to service delivery)
- % alignment and integration between individual, organisational and financial management

CITY SCORECARD 2008 (as in 3.1.1 (a) above)

The key sources of data utilised to conduct the sectoral analysis were also used to update the baselines on the scorecard. The sources are predominantly the:

- STATS SA census 2001
- STATS SA Community Survey conducted in February 2007.
- Global Insight for certain economic data (since STATS SA does not provide certain data at a municipal level but only at a provincial level e.g. GDP)
- Quantec for HIV data
- City of Tshwane departments: Mayoral committee reports on status quo, backlogs and service delivery levels.
- Actual performance information from approved quarterly reports of the 06/07 and 07/08 financial years.

It is important to note that STATS SA uses percentages to provide an analysis, and converting them to real numbers does leave room for variation. The key statistics to remember are as follows:

Total number of households in Tshwane (2007)	686 640
Total population of Tshwane (2007)	2 345 908
Households that do not have any toilet facilities	1.4%
Households that have access to refuse removal	77.1%
Average annual economic growth 1996-2006	3.2% (SA) and 3.6% (Gauteng)

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
1. Provide quality basic services and infrastructure	Provide: electricity	Eradicate basic services backlogs equal to or earlier than National targets (2012)	% of households with access to basic or higher level of electricity (NKPI)	531 459 (77.4% of the total 686 640 h/h with access to electricity- lighting per stats SA 2007) .	Maintain or increase baseline	Maintain or increase baseline	Maintain or increase baseline
	water	Eradicate basic services backlogs equal to or earlier than National targets (2008)	% of households with access to basic or higher level of: water (NKPI)	98.3% of citizens have access = 674 967 h/h ¹	Maintain or increase baseline	Maintain or increase baseline	Maintain or increase baseline
	sanitation	Eradicate basic services backlogs equal to or earlier than National targets (2010)	% of households with access to basic or higher level of sanitation (NKPI)	670 161 have access to basic or higher services (97.6%) ²	Maintain or increase baseline	Maintain or increase baseline	Maintain or increase baseline
	solid waste removal services	Eradicate basic services backlogs equal to or earlier than National targets Universal access to solid waste removal by 2011	% of households with access to basic or higher level of solid waste removal(NKPI)	77.1% of households with access to basic or higher waste removal services (529 399 households) ³	Maintain or increase baseline	Maintain or increase baseline	Maintain or increase baseline
	Housing	Accelerate Housing delivery by 2014	• % of households living in formal dwellings	Of the 686 640 h/h 486 161 (70.8%) of households have access to formal housing ⁴	Maintain or increase baseline	Maintain or increase baseline	Maintain or increase baseline
	City Planning	Contribute towards the national target of formalising ⁵ 100% of 65 ⁶ informal settlements that can be formalized. By 2009, all informal settlements that can be established ⁷ as townships	% of households living in proclaimed ⁸ townships/areas	100% -20.7% = 79.3%, i.e. 544 506 households) ⁹ 142 134 households living in informal areas (Statssa households)	Maintain or increase baseline	Maintain or increase baseline	Maintain or increase baseline

¹ Excludes water from boreholes and other sources but includes water vendors, piped water on stand and outside stand

² Includes toilet facilities (flush, chemical, dry, VIP)

³ Removed by local authority

⁴ This figure when added to the informal % provided by stats sa does not add to 100% but to 97.6 % which leaves room for error of 2.4%

⁵ Formalizing townships (Housing Dept) = township that was pegged and ready for the installation of services – thus a township where stands can be identified.

⁶ As per HCPEM departmental detail report for the 4th quarter 2006/7

⁷ Established township = Township approved by Council

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
1. Provide quality basic services and infrastructure		are established and the rest established by 2014		distributed by main dwelling: Informal dwellings in informal settlements (19.7% + Traditional dwellings (huts) 0.5% + Other 0.5% = 20.7%)			
	Roads	Provide roads infrastructure that meets the growth demands and prevent the creation of backlogs	Km of road as a proportion of square km of proclaimed area in the City of Tshwane	11.56 km as at 30 June 2007 (Information received from the Public works department)	11.56	11.57	11.58
	Stormwater	Eradicate basic services backlogs equal to or earlier than National targets	Km of backlog of stormwater drainage systems eradicated	74.18 ¹⁰	129.6	156.5	113.4
			Km of new Stormwater drainage systems provided	34.48 km ¹¹	2.7	0.6	2.4
	Public Transport		Nr of trips per capita (total passenger/ population) p.a. on public buses	14 279 126 ¹² / 2 345 908 ¹³ = 6.1	Maintain or improve the baseline	Maintain or improve the baseline	Maintain or improve the baseline
	Infrastructure maintenance	<ul style="list-style-type: none"> Expenditure on infrastructure maintenance is in line with national norms and standards by 2011 	Restructuring Grant target of: 14% to Total Operating Income (TOI)	Repairs and Maintenance to Total operating income 9,13% ¹⁴ R725 763 000	10.7%	11.6%	12.5%
2. Facilitate higher and shared economic growth and development	Facilitate higher economic growth	<ul style="list-style-type: none"> 6 % growth in the COT GVA 	GVA	7.8% ¹⁵	6%	6%	6%

⁸ Proclaimed township = Township proclaimed in the Provincial Gazette after is was approved by Council

⁹ The difference between this figure and the figure given for the % of households living in formal dwellings is the number of "informal dwellings, e.g. shacks in backyards that were added to proclaimed areas – i.e there are "informal dwellings" in proclaimed areas.

¹⁰ Information taken from the 2007/8 SDBIP provided by the Public works Department.

¹¹ Information from 2006/7 Annual report as provided by the Public Works Department

¹² Nr of trips taken form the 2006/7 Annual report as provided by the Economic Development Department

¹³ Statsa 2007 Community survey estimate of total population

¹⁴ Information as per Finance Department report, dated 27 July 2007 on the Provisional Financial Statements

¹⁵ Figure from Global Insight because STATS SA does not provide economic data by municipality

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
	Facilitate shared economic growth	<ul style="list-style-type: none"> Decrease in the Gini coefficient by 0.01 pa 	Gini-coefficient	0.57 ¹⁶	0.56	0.55	0.54
3. To fight poverty, build clean, healthy, safe and sustainable communities	Fight poverty	No target previously set	% of Tshwane population living below R3000-00 p.a. (in constant 2000 rand)(Poverty head count index)	47.6% (1 116 297) of the population live on R3000 or less per annum) -this is a total population figure) (Statssa Community survey 2007 estimate)	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline
	Provide health care services	100% of the uninsured population have access to PHC services within 5 km of their homes	% of uninsured households with access to PHC within 5 km of their homes	98%	98%	98%	98%
	Decrease the crime levels working with the National Criminal Justice System, the South African Police Services, Business and communities, ensuring visible policing and strengthening the municipal court system	Achieve a decrease of 1% below the Gauteng crime levels in Tshwane	Tshwane crime levels benchmarked against Gauteng crime levels per type of crime – to be 1% lower in Tshwane than in Gauteng	<p>1% below or higher was ¹⁷achieved for the following crimes:</p> <ul style="list-style-type: none"> Assault Robbery with aggravating circumstances <p>The following crimes need priority attention:</p> <ul style="list-style-type: none"> Common robbery Burglary at residential premises Theft of motor vehicle and motor cycle Theft out of or from motor vehicle Drug related crime All theft not mentioned elsewhere 	1% lower in Tshwane than in Gauteng	1% lower in Tshwane than in Gauteng	1% lower in Tshwane than in Gauteng

¹⁶ Information as provided by the Economic Development Department for the 2006/7 Annual report

¹⁷ SAPS crime statistics released once a year

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
				where the Tshwane crime rate was higher than the Gauteng crime rate			
3. To fight poverty, build clean, healthy, safe and sustainable communities	Ensure the safety of our communities, businesses and roads, fostering a culture of respect for the rights of all, the laws that govern us all and a high moral and ethical standard	CoT is 70% prepared for emergencies in terms of the emergency management master plan	% of fires and other emergencies responded to within the service level agreement with GPG guidelines (in terms of time and response level)	100% ¹⁸	90%	90%	90%
		CoT has documented a Disaster risk management plan (in 3 levels) with responsibilities identified and contingency planning implemented by all departments and entities	Levels of the disaster risk management plan fully implemented	Level 1	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline
	Promote viable (sustainable) communities by establishing mixed human settlements with social and cultural programmes that enable the celebration of diversity and foster social inclusion		% community satisfaction with quality of life This indicator will only be benchmarked annually against the SACN annual report and the HSRC's social attitudes survey	60% + ¹⁹	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline
	Promote environmental sustainability	Environmental sustainability to be improved	% of conservation areas proclaimed	2.85%	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline
	Provide sports and recreation facilities and services to communities	Maintain or improve current expenditure	R spent per capita on sports and recreation facilities and services	R40 086 456 / 2345908 = R17,08 per annum	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline

¹⁸ Departmental reporting

¹⁹ Data used to establish baseline was the SACN annual report for 2006, p. 3-46 which was based on the HSRC's SA social attitudes survey. The benchmark for all 9 SACN cities was 58%. COT was the second highest after Mangaung. The SACN annual report will be utilized to report annually on this indicator

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service	Optimise effective community participation in the ward committee system	All essential stakeholder forums are effective in their functioning by 2011	% of ward committees that are working effectively	Ward committees: 75%	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline
	Batho Pele and customer relations management	Annually increase the % of residents surveyed that indicate they are satisfied with CoT responsiveness	% of residents surveyed who indicated satisfaction with CoT responsiveness	Respondents to the Tshwane residents' and business satisfaction survey 2006 rated the city's responsiveness ²⁰ at 49.8% 22% of respondents to the above survey have lodged complaints during the previous 12 months of which 79% felt that their complaints have not been dealt with satisfactorily	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline
5. To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate	Financial management (financial viability)	Financial viability is achieved in terms of the RG targets	Nr of financial targets as projected per MTREF achieved	All financial targets as per MTREF achieved	All projections achieved	All projections achieved	All projections achieved
		Ensure sustainability	Rates burden (total revenue from property tax / total number of properties on the property evaluation roll)	R1 935 541 000/452 934 ²¹ = R 4 273.34 per annum or R 356.11 per month	Increase in line with MPRA	Maintain property rates increases within CPIX	Maintain property rates increases within CPIX
	Sound HR management (capacity to execute mandate)	The organizational structure is 100% aligned to deliver on the CoT strategic objectives by 2009	% of Key Performance Areas annually achieved	Baseline as reported in the 2006/7 annual report (i.e. 34 out of 60 or 56.7%)	Increase baseline	Increase baseline	Increase baseline

²⁰ I.e. promptness

²¹ Land parcel summary as at end June 2007

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
5. To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate		Achieve national norms and standards by 2011 in terms of the % budget to be spent on implementing the workplace skills plan	% of a municipality's budget actually spent on implementing its workplace skills plan (NKPI)	The CoT is paying 1% of the remuneration budget as levies to the SETA, which is an estimated amount of R18 024 404, 00. <ul style="list-style-type: none"> Skills levies paid 2006/07 R8,729 737.55m Grants Claimed R4, 485 109.75m Training Budget for 2006/07 R 31 598 914 m	1% % of the remuneration budget	1% of the remuneration budget	1% % of the remuneration budget
	Institutional transformation	Annually achieve the targets set out in the municipality's EE plan thereby achieving 100% of the EE plan by 2011	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan. (NKPI)	208 employees 38% (25.9% male) (12.% female) of levels 1-4 are African 18 employees 3.3% (2.6% male) (0.7% female) of levels 1-4 are Coloured 16 employees 2.9%(2% male) (0.9% female) of levels 1-4 are Indian 306 employees 55.8%(40% male) (15.9% female) of levels 1-4 are White	As per approved EE plan	As per approved EE plan	As per approved EE plan
	Good governance	95% of CoT residents surveyed indicated that CoT governs well	The % of residents of Tshwane who have indicated that CoT governs well	The Tshwane's Residents & Business satisfaction survey for May 2007 ²² indicated the following:	Maintain or improve baseline	Maintain or improve baseline	Maintain or improve baseline

²² City of Tshwane. Customer Care Division. 2007 (Research report for City of Tshwane Metropolitan, June 2007, page 98)

Strategic Objective	Key Performance Areas (KPA's)	5-year target(s)	KPI's	Baseline 0607	Targets		
					2008/9	2009/10	2010/11
				<p>1. Less than half (46%) of total sample (n = 1200) felt that the CoT is doing a good job in delivering the service needed.</p> <p>8% (Eight percent) of business respondents and 4% of households claim to have been offered a bribe from a city official in the past 12 months. This statistic may be regarded as high depending on the weighting of the severity of a bribe.</p>			

3.1.2 CROSS CUTTING PRIORITY INITIATIVES

The following high priority programmes are planned to be implemented over the next three years.

1. **The Indigent Support Programme.** The City will respond to the call to intensify the war against poverty by implementing the exit strategy programs at the household and community levels.
2. **The Neighbourhood Improvement Programme.** Ward Committees will be central to working with the regional offices. More focus will be on the delivery and maintenance of basic infrastructure; the provision of housing and rental stock; improvement of roads and storm water infrastructure; optimal utilisation of recreation facilities; implementation of environmental greening and health programs; strengthening of the Safety Sector Forums around the 'Take Charge Campaign'; as well as building the capacity of the ward committees.
3. **The Entrepreneur and Skills Development Programme.** Working with tertiary institutions to establish Entrepreneur Development Centres in the city and strengthening targeted skills programs that are relevant to the economy. Emphasis will be placed on the development of our human capital.
4. **Celebrating Tshwane as the African Capital of City of Excellence.** Consolidating initiatives of events that enhance the vibrancy of the City; taking the Citizen's Excellence Awards to a higher level; as well as developing a citywide Heritage Program. We have also awarded the inaugural Freedom of the City of Tshwane to former President Nelson Mandela as part of this priority focus area.
5. **Women empowerment and gender mainstreaming.** This area of work will receive greater attention with particular emphasis on the city's institutional capacity to implement the various programs that are aimed at improving the quality of life of women and fostering gender equity.
6. **The Smart and Innovative City Program.** The programme is aimed at taking advantage of the opportunities of the knowledge economy. Emphasis will be on making the Tshwane Innovation Office operational; rolling out the various ICT initiatives in the city; enhancing Research and Development; as well as fast-tracking the Broadband and wireless connectivity project.
7. **Customer focus and Batho Pele Program.** Decisive actions to give greater value for the ratepayers will be taken. The City will mainstream the various customer services into a single integrated unit that is standardised throughout the regions. We will also extend and improve the effectiveness of the performance management system.
8. **Economic investment and lead projects.** We will establish a multi-professional, one-stop unit to improve turnaround time for development and business applications; crowding-in of investments at the Zone of Choice; and fast-tracking the implementation of identified 2010 and Beyond Economic Investment Lead projects.
9. **Fostering Social cohesion.** Focus will be on strengthening partnerships with strategic sectors around the vision of the City including Business, Not-For-Profit Organizations, vulnerable groups and community outreach programs.

3.2 STRATEGIC INITIATIVES OF THE CITY

The strategic initiatives of the City relates to programmes or projects that will be pursued to gear benefits for the wider Tshwane community. They are in addition to the normal service delivery functions of the municipality as per the Constitution, such as the provision of water, sanitation etc. Most of the strategic initiatives require partnerships with other role-players in the City, Province and Country, and many tend to be resource intensive and will realise benefits after many years once implemented. It is essential to invest in strategic programmes in addition to the normal service delivery functions such as providing water, so that over the longer term, there is a sustainable development impact that the citizens of the entire Municipal area will experience.

3.2.1 HOSTING A SUCCESSFUL 2010 WORLD CUP SOCCER EVENT

The City takes pride in being one of the host cities for the 2010. The 2010 Soccer World Cup offers the City of Tshwane the following opportunities:

- Demonstrate strong inter-governmental relationships
- Project a strong image of the city
- Harness tourism as a springboard for economic development
- Improve bandwidth and connectivity
- Efficient use of natural resources
- Leverage 2010 to fill the skills gaps
- Leverage 2010 to improve social cohesion in the city

Preparations for 2010 will therefore intensify, and will include:

- Ensuring compliance to FIFA requirements
- Optimising developmental impact and leaving a positive legacy for the City
- Maximising promotional and positioning opportunities for the City.

In the preparation of 2010 the following is under way:

- Preparing Loftus Versfeld Stadium which is expected to be completed by December 2008.
- The preparation of training venues is on track to be ready for the Confederations Cup. The super stadium in Atteridgeville for example is 80% complete.
- 2 practice fields of the Giant Stadium are ready for the 2010 FIFA World Cup
- Tourism and accommodation focus areas include:
 - More graded non-hotel accommodation facilities will be created;
 - New 4 & 5-star hotels are to be built in the city;
 - A study has been commissioned to assess the townships' tourism products – Soshanguve, Mamelodi, Atteridgeville and Mabopane
 - 12 volunteers from Soshanguve and Atteridgeville have been trained in Mandarin (Chinese language) to serve ushers during the event; More training of 50 volunteers is planned for French, Spanish and Portuguese languages
 - A gateway convention and exhibition precinct is envisaged
- The following projects are envisaged towards community development related to 2010:
 - A Football Academy;
 - The Manchester United football academy;
 - Establishment of a trust for children from disadvantaged backgrounds

We are envisaging having:

- 1500 volunteers for 2009 Confederation Cup;
- 5 000 volunteers for 2010
- National Treasury has made an “in principle” commitment to help with this funding.

STATUS 2010 FIFA WORLD CUP T & R PROJECTS – JULY 2004 & 2005 REQUESTS

2010 FIFA RELATED TRANSPORT & ROADS PROJECTS	Funding Approved	Comment
Rainbow Junction / Pretoria North Node:		
• Basic Planning of the new alignment of the extension of Paul Kruger Street.	R 2 300 000	Tenders received for planning under Evaluation by R & SW. Uncertainty to clarify funding for implementation to be sorted out with NDoT. Meeting requested some time ago already to clarify outstanding issues..
• Basic Planning of the new Pretoria North modal transfer facility and walkways incl. relocation of existing staging facility.	R 900 000	
• Conceptual Design of the changes to the Pretoria North Station to serve as new inter-modal facility.	R 300 000	
• Basic Planning of the Road K14 link between Rachel de Beer Street and Zambesi Drive.	R 1 900 000	
• Environmental impact assessment in respect of all of the above.	R 800 000	
• Implementation: Removal of excess rail lines at Pretoria North Station	R 3 200 000	Work to be performed by SARCC / Metrorail / Intersite. MOU to be signed.
SUB TOTAL	R 9 400 000	

Other Transport & Road Projects:		
• Strategic road and rail capacity needs public transport assessment. Details to be provided	R 1 000 000	Work done under establishment of SPTN framework and priority projects.
• Feasibility Study: Public Transport (PT) priority lanes on strategic corridors linking the CBD and the “Zone of Choice”.	R 500 000	
• Strategic road capacity and accessibility assessment: Loftus Versveld / Hatfield.	R 300 000	Project brief available. Outcome dependant on funding from 2007/08 and later.
• Design and construction of direct pedestrian link between Loftus Versveld Stadium and Loftus Versveld Station.	R 10 100 000	Meetings held with Stadium owner and Intersite. Stadium internal design to be confirmed. Intersite to do physical work under MOU to be signed. UP also involved.
• Practice stadiums (5): Assessments of road capacity, accessibility, public transport availability and holding areas for PT vehicles.	R 500 000	Service provider to be appointed as soon as clarity on Training Venues are available.
• Feasibility study: an Integrated Ticketing System for all public transport operations in the COT.	R 600 000	Gauteng Province suppose to coordinate project.
• Feasibility study: Re-introducing public transport services on the Hammanskraal railway line and the restructuring of competing bus contracts.	R 750 000	Project brief finalised. Unlikely that line will be operational for commuters by 2010. Level C priority from SARCC/Metrorail.
• Inner City Public Transport Distribution System: Planning of Distribution System with link to Loftus / Hatfield.	R 1 000 000	Work done under SPTN Network and Rekgabisa Tshwane (with DPW)
SUB TOTAL	R 14 750 000	
GRAND TOTAL	R 24 150 000	

3.2.2 IMPROVING CUSTOMER RELATIONS MANAGEMENT

The structure of the CoT has been regionalized, in order to improve access to services. As per chapter 2 of this IDP, the ASD process has formed 5 service delivery regions. Regions will take on more responsibilities over time, and are not intended to be satellite offices. The Corporate and Shared Services Department, also has a specific customer relations management division which at the regional level will manage walk in centres and call centres. Special interface services at Municipal offices and Website customer services will also be focused on. Regional offices will focus on delivery, therefore will be equipped with greater capacity to ensure maximum accessibility to

the customer. The walk in centres and call centres will conduct quality assurance, monitor performance delivery and will heavily rely on tracking systems. The Stanza Bopape paypoint is a priority to be erected over the next two financial years at an estimated cost of R2 500 000.00.

3.2.3 HOUSING DELIVERY INITIATIVES

We intend to call upon private developers to allocate a percentage of their residential sites for low-income earners throughout the city. Simultaneously, we are in discussion with the Gauteng Government and have identified following priority areas for mixed housing and mixed land-use development (what is generally referred to as Breaking New Ground). We have identified land closer to where people live and work as well as areas where we can achieve integration of society. These are:

- Lady Selbourne
- Winderveldt
- Hammanskraal
- Olievenhoutbosch
- Nellmapius
- Thorntree View
- Marabastad
- Mamelodi and Atteridgeville hostels
- Danville
- Garsfontein
- Waverly, and
- Other areas adjoining Metsweding Municipality.

Specific strategies have been drafted to assist the Housing department in achieving the directives and targets from national and provincial government e.g. MHDP, Densification Strategy, the Inner City Housing Strategy etc.

The Tshwane Municipal Housing Development Plan (MHDP) has been drafted and is primarily a strategic management tool to assist the City of Tshwane to focus its energy to ensure that all activities the Housing Services Department undertakes, are working towards the same goals, thereby assessing and adjusting the Department's direction in response to a dynamic environment.

The City of Tshwane will follow a dual approach towards housing delivery which comprises the following two programmes:

- **Consolidation Programme:** which seeks to complete and consolidate existing housing initiatives in all areas in the City of Tshwane with the aim to improving and supporting the sustainability and viability of these communities, and addressing the most urgent local needs and backlogs through:
 - Formalisation of informal settlements
 - Hostels Upgrading
 - Top 20 Programme
 - Backyard upgrading
- **Intervention Programme:** which aims at promoting higher density, mixed income (Inclusionary Housing) and mixed land use residential developments within a 20 kilometer radius around the Tshwane Inner City through:
 - Breaking New Ground/Inclusionary Housing
 - Social Housing
 - Rental Stock

A key challenge that the City will continue to try and address with other key role-players would be to ensure that such settlements have access to schools and other social facilities.

We will continue to pursue the implementation of the alternate financing models for housing service delivery, examples of which are outlined in the MHDP.

In keeping with the spirit of devolution, the Housing Act provides for the accreditation of municipalities to administer National Housing Programmes. The rationale for accreditation of municipalities is rooted in the Constitution, and can be found within the logic of good cooperative governance, and current constraints in the housing delivery process that are leading to decelerated delivery and persistent provincial budgetary rollovers. Therefore we will pursue the accreditation of the CoT to fast track housing delivery.

A Memorandum of Understanding will be pursued with the Gauteng Province, Housing Department to:

- Determine the financial assistance and support services required by Restitution Beneficiaries
- Report the commitment of the Parties to provide such assistance and services to a Community subject to the qualifying criteria
- Leverage further resources for project opportunities arising out of the award of land to the communities in terms of the restitution Act

An MOU between CoT and Department of Housing Gauteng was also signed for the **20PTP**. The Gauteng Housing Department is prepared to put systems and capacity in place to facilitate, coordinate, monitor and implement projects to improve and accelerate the delivery of housing opportunities. This investment will aim at building sustainable communities and includes the upgrading and provision of Social and Economic Infrastructure. This investment is to be known as the 20 Top Priority Townships Programme. (Mamelodi, Atteridgeville and Soshanguve)

The CDS Mixed-Use Housing Intervention and Tshwane Sustainable Human Settlements Strategy

The CDS proposes a program of substantial public led investment centred on “rolling-out” of mixed-use housing interventions in some of the strategically located parcels of land in the city. Following the inception of the CDS the CoT embarked on a process to develop a “Tshwane Sustainable Human Settlement Strategy” which was completed by October 2007. Furthermore this strategy seeks put into practice the principles of “Breaking New Ground”.

The Sustainable Human Settlements Strategy requires that urban cores must be developed as centres for the clustering of social facilities to provide services to surrounding communities. Accessibility to these urban cores, as well as to the surrounding communities, must be facilitated by a properly developed and structured public transport network. To facilitate the restructuring of existing settlements, focusing on the T20T areas, it is necessary that all new residential developments should address the issue of sustainable human settlements. In the case of private developments, this must be ensured either through the direct provision of land/space and facilities, or through monetary contributions for development of facilities by Council.

Through the CDS a number of specific large scale precincts were identified where such a housing initiative could be conceptualised and realized. These are:

- **Zone of Choice:** The CDS recognized the extraordinary developmental attributes of the region immediately north of the Magaliesberg to meet the economic and residential growth

needs of the poorest parts of the Tshwane metropolitan area. The Zone of Choice emerged as a choice investment area for private capital and could simultaneously make an extraordinary contribution by enriching locational choice for new households in the far North. Subsequent to the adoption of the Tshwane City Development Strategy the private sector has made significant inroads in delivering a range of housing developments that realise the CDS's intent. However, much publicly owned land remains in the Zone of Choice that could potentially, be released to support an alternative housing paradigm;

- West Capital Precinct: Significant parcels of publicly owned land exist from within walking distance of Church Square right up to and including the extensive Pretoria Showground. The potential exists to integrate with the existing Marabastad development and use of innovative funding mechanisms to compliment both "Breaking New Ground" housing policies and inner city redevelopment objectives in this area. With ReKgabisia Tshwane inner city renewal achieving traction the number of jobs in the inner city is likely to escalate, increasing the need for both housing and social facilities within the capital city region. The investment framework for Pretoria West sets out some key objectives aimed at attracting middle income earners to move into the inner city and aims at accessibility and precinct development. Elements of the plan highlights:
 - First precinct: Access road (Roger Dyan Road) to Pretoria West needs to be redesigned.
 - Second precinct: DF Malan Rd: The fresh produce market is a major area of connectivity.
 - Area of UDZ: Mitchell Street: link into the west into the proposed PWV9 and the industrial area in the west.
- PWV9 development corridor: A development corridor was identified in the 1990's between Centurion and Mabopane along the planned PWV9 road. The lack of a mobility route in the west of Tshwane has long been the causative reason for a relative lack of development in the depressed western parts of the City. As the preconditions for the construction of PWV9 steadily improves, the potential of the development corridor emerges more strongly. The potential of land along this corridor that can be unlocked through the construction of the PWV9 highway is significant and requires new attention.

Flagship projects that form part of the Sustainable Human Settlements Strategy that are already being implemented include: Boom/Bloed Street in the CBD, Eerste Fabrieke, Capital Park, Koedoespoort, Klerksoord/Pretoria North, Soshanguve station, Hammanskraal Station and Salvokop.

3.2.4 IMPLEMENT THE EPWP

The EPWP is one of Government's most important short to medium term programmes aimed at alleviating and reducing unemployment, through provision of work opportunities, coupled with skills training. The provision and upgrading of Infrastructure are important vehicles to ensure that the EPWP is supported. The EPWP Guidelines defines an infrastructure project as an EPWP project where the following aspects are present:

- a significant amount of construction activities for which use of labour is specified
- appropriate design for labour-intensive construction
- specification for labour-intensive works based on tasks
- amended contract documentation for labour-intensive works
- skills training of management and supervisory staff
- skills training of targeted labour

In some of the cases, our own departmental construction teams are utilized, but with local labour sourced from the community, which is also considered to satisfy the above conditions.

3.2.5 IMPLEMENT SKILLS DEVELOPMENT AND MENTORSHIP PROGRAMMES

Skills development programmes are implemented in many departments of the CoT as part of core service delivery. Below are some of the strategic skills development programmes.

a) Mentorship programme for young professionals

The purpose of this programme is to assist young engineers and engineering technologists to become fully registered professionals with the Engineering Council of South Africa. There will be efforts to source external mentors to quality assure the technical content of the programme and to ensure professional registration in the shortest time possible.

b) The Tshwane Schools Mentorship Programme

The aim of this programme is to increase the number of school leavers that will be able and willing to consider careers in Engineering. The focus is on grades 11 and 12 learners, but not excluding grade 8 -10 learners, of the schools in Tshwane. It includes also a Teachers Mentorship programme for a few specific schools to ensure high quality teaching. The programme is sponsored by Roads and Stormwater and is managed by the University of Pretoria.

3.2.6 IMPLEMENTATION OF THE CDS LEAD PROGRAMMES

We have endorsed the City Development Strategy as our long term vision aligned to 2014 priorities of National and Provincial Governments. 8 Lead programmes were identified as part of the implementation programme of the CDS. These programmes do not constitute the entire CDS, but were identified for their strategic and high level impact. The CDS programmes that are currently being implemented and that will significantly impact on the urban form are:

We are in the process of finalising Spatial Development Frameworks of all the five regions with the aim of making them more economically viable and liveable areas by also identifying strategic economic nodes for development.

REKGABISA TSHWANE

The ReKgabisa Tshwane has begun implementation. This programme is a joint initiative between the city and the National Department of Public Works, which drives implementation. The CoT's responsibilities towards ReKgabisa broadly centre on:

- Creating an over-arching planning and management framework;
- Establishment of appropriate institutional and governance arrangements to respond to the scale and complexity of the initiative; and
- Delivering /responding with a portfolio of related projects and enhanced municipal service delivery in the inner city.

Considerable progress has been achieved and the Inner City Integrated Development Framework has been completed. In terms of institutional arrangements an innovative model has been conceptualised and finalised in the form of establishment of a "Capital City Commission". Currently this model is being refined and discussed with relevant stakeholders, and the legislative requirements are being investigated. Interim arrangements may also be put forward to ensure smooth running and fast-tracking of implementation of the ReKgabisa Tshwane initiative. This program will drastically change the urban form, particularly the face of the inner city.

One of the pillars of the ReKgabisa Tshwane programme is the redevelopment and implementation of the transport plan. The proposed Bus Rapid Transit (BRT) system will respond to this need by providing access to and from the CBD and also improve movements throughout the CBD.

THE “WORKING INFRASTRUCTURE PROGRAMME” AND IMPLEMENTATION OF AN INTEGRATED INFRASTRUCTURE MAINTENANCE FRAMEWORK

Tshwane is exiting from a rapid urbanisation phase that started in the 1980's with the de facto collapse of influx control. The rapid increase in urbanisation demand has coincided with a national trend of disinvestment of capital expenditure that progressively strengthened since 1985. With a relatively smaller pool of capital available the demand for municipal services and housing created a priority shift to new infrastructure expansion in the townships in line with urbanisation pressures.

While massive progress has been made in extending infrastructure access to the urban poor this success has come at the price of neglect of the existing urban infrastructure. By 2005 the city's estimated remedial infrastructure backlog was R440 million. However, comparison with other South African cities suggests that this estimate may be conservative (the much smaller Buffalo City's backlog exceeds R850 million). The estimated backlog in greater Gauteng region was around R35bn.

Tshwane acknowledges that securing the municipal infrastructure for the future is of the utmost strategic importance as it not only underpins the city's tax base, but also underlies the ability of the urban economy to expand and remain sustainable. The aims of the Working Infrastructure Programme and development and implementation of a stratified and integrated asset maintenance framework are:

- Establishing a planned maintenance and refurbishment programme that clearly quantifies the reinvestment backlog for the key water, sanitation, electricity, solid waste and roads infrastructure components – starting with an understanding of the assets base;
- Development of a resource management programme to raise sufficient resources for expansion and upgrade of municipal services systems, particularly where Tshwane will have to explore additional revenue mechanisms for infrastructure funding;
- Implementation of a properly planned and stratified expenditure programme based on a sound fiscal principles whereby resources can be rationally allocated to different parts of the city according to infrastructure requirements;
- Preparing a Services Charter – that defines standards of delivery to citizens and sets a transparent reciprocity framework for local taxes and tariffs;
- Informs tariff and rates policy/structure reform; and
- Introduces a facilities management programme for municipal service infrastructure.

The process has started and the Integrated Maintenance Framework is currently being developed.

Moving Tshwane Initiatives

There has been considerable momentum achieved with regard to implementation of the Moving Tshwane Initiative. Of noteworthy the following can be outlined:

a) Establishment of a dedicated Tshwane Transport Authority

All the due diligence processes have been completed, the business plan finalised and the process is being interrogated with all relevant stakeholders.

b) Infrastructure Investment Planning

The point of departure for infrastructure investment planning is the demand for municipal infrastructure generated in the socio-economic environment. This demand is a derivative of

household growth compounded by existing households without access to services, thus creating backlogs. Demand determines capital investment requirements, which again leads to long-term operating and maintenance needs. The sustainability of meeting investment demands and operating requirements is determined by affordability considerations and the willingness of beneficiaries to pay for such services.

A Municipal Infrastructure Investment Framework study was done, which focused on the five major infrastructure services, namely water, sanitation, electricity, roads and stormwater and refuse removal, within the context of broader service delivery. The project depended on a wide range of technical and policy inputs across all operations of the Council, which served as basis for the development and modeling of long term investment scenarios.

The above report will serve as input for discussion at a planned International Trade and Infrastructure Investment Summit to be held in Tshwane in May 2008.

c) The Bulk Services Policy

The City of Tshwane approved the policy on levying services contributions for the provision of engineering services on 28 October 2004. The Policy was developed in terms of the Town Planning and Townships Ordinance, Ordinance 15 of 1986, and is applicable to the provision of Electricity, Water, Sanitation and Roads and Stormwater services. The services refer to Engineering services that are the responsibility of the municipality, which are the bulk services, hence the reference to the bulk services policy. Services considered to be bulk are class 3 (or higher) roads and main stormwater reticulation systems.

The policy is based on a set of twelve principles, with equal rights and fairness as one of the most important. The determination of tariffs must be done through a transparent scientific method of calculation, and the contribution of a specific development must be done for specific services required for the development. The implication of levying in terms of the ordinance is that the contributions must be utilised to address the requirements of that development first. The collection and application of contributions needs to be done in a way that matched the principles. An effective mechanism of purposeful application approved with the policy is that the contributions may be paid though the provision of bulk infrastructure.

The effect of this policy at the time was to bring all component municipalities onto the same uniform policy, so that all areas were covered in the same way and to the same standard. The same policy was applicable to the different types of services, with specific methods of calculation for each service also approved. The values of the contribution rates as well as the method of calculation for each service separately could be updated in line with the policy. To date, the values have been updated for cost escalation in the intervening financial years.

d) Transformation of the metropolitan bus-service

All the due diligence processes have been completed and the business plan is currently being implemented.

e) Development of "a Public Transport Led Urban Movement Plan and Transport System"

The Strategic Public Transport Network (SPTN) was completed and launched in 2007. One of the key determinants of this plan will be the roll-out of the Bus Rapid Transit System outlined below.

f) Roll-Out of a Bus Rapid Transit system

Institutional Arrangements for optimum implementation and running of the BRT have been conceptualised and finalised in the form of establishment of a Public Transport Operating Entity (PTOE). The Operational Plan for implementation of phase 1 BRT has already been completed and is due to be implemented shortly.

g) Quality Public Spaces Program: Tsosoloso

The Tsosoloso program has secured funding from the National Treasury supported “Neighbourhood Development Partnership Grant” (NDPG). The Tsosoloso programme will be the main instrument through which the city delivers on the Premier’s T20T programme and applies NSDP principles in appropriate township nodes. The Business Plan for phase 1 of the programme has been finalised and is currently being launched.

3.2.7 ALTERNATE SERVICE DELIVERY IMPLEMENTATION

It is a priority of the CoT to continue the implementation of the ASD structure. Part of this process includes the resourcing of the five regions and the newly created departments as per the structure in chapter 2.

In addition, the process involves the establishment of special purpose vehicles in appropriate areas of service delivery to ensure efficiency gains.

The priority Municipal Entities to be investigated or established are as follows:

- Tshwane Economic Development Agency (TEDA);
- Tshwane Market;
- Bus Services; and
- Tshwane Academy.
- Wonderboom Airport Municipal Entity
- Tshwane Transport Authority (TTA)

In addition processes to establish the RED 6 (Regional Electricity Distributors) will continue.

The five regions namely, East, North East, North West, Central West and South will serve as core service delivery nodes for the municipality and would interact with the broader community by means of Customer Care Call Centres, Customer Walk in Centres, Special Interface Services at Municipal Offices and Website Customer Services.

It is a priority to ensure that the regions are fully functional to achieve:

- Decentralised delivery of services.
- A broader focus on urban management and development.
- Customer-centric service delivery orientation.
- Effective and efficient delivery of services through maintaining a focus on regional delivery, and promoting service integration across functional lines.
- Accelerated prioritised targeted development (within each region) in order to ensure a strategic focus and allocation of resources to areas most in need.
- An accountable government
- Promotion of Councillor Interaction with the CoT administration at the regional level.
- A turnaround of past shortcomings, such as uneven development prioritisation and racially segregated governance.
- Opportunities for cross-subsidisation.

Although the needs and methodology would vary from Region to Region, the Regional Structures would primarily use the following tools to improve the effectiveness, efficiency and economy of service delivery in the Regions:

- Consolidation and Augmentation of Service Delivery Mechanisms

- Negotiation of suitable Service Delivery and Service Level Agreements with Line Departments;
- Functional integration workshops ;
- Staffing and human resource development ;

Other key performance areas of regions will include:

- Strategic development management
- Implementation of land development facilitation programmes
- Implementation of infrastructure development facilitation programmes
- Implementing marketing and investment facilitation programmes
- Implementing education and training facilitation programmes and skills development facilitation programmes
- Implementation of sports, recreation, arts and culture facilitation programmes
- Implementing social development and poverty alleviation programmes
- Implementing health programmes
- Implementing community safety facilitation programmes

3.2.8 SPATIAL PLANNING

As part of the programme of changing the apartheid spatial form of the city, spatial frameworks have been developed. The following are still to be completed.

PROJECT / SDF	RATIONALE
Regional development plans for each of 5 regions	Regional Strategy
Precinct plans - regional offices	Regionalisation
Re Kgabisa precinct plans	CDS / ReKgabisa MOU
2010 precincts and corridors	2010 Host city agreement
Tsošološo (own contribution) Other nodes (eg Winterveldt)	NDPG / CDS
Kollanade Node SDF & urban design framework	RSDF
Design frameworks for BRT areas (to accommodate increased densities)	CDS/ RSDFs
Ring Rail Station Areas	RSDF
Garankuwa and Babelegi Industrial Area	GDS
Platinum highway corridor	GDS
MCDC revision	GDS
Waverly SDF	IDP
Aviation Hubs	TSDS
Education precincts – detail	TSDS
Inclusionary housing / BNG: ToR for identified Council owned land	TSDS

3.2.9 ENVIRONMENTAL MANAGEMENT INITIATIVES

In addition to the capital projects that will be implemented (as in annexure A of this document) 3 Local Open Space Plans will be developed for the following regions:

- Atteridgeville/ Saulsville;
- Mamelodi West;
- North Eastern Section of Soshanguve

The Bontle ke Botho (BKB) is an environmental education program in partnership with the Gauteng provincial government, and is aimed at mobilising local wards and schools to accept responsibility for their own environment

The Agriculture division will embark on cooperative development programme in collaboration with the Department of Labour and Small Enterprise Development Agency. The main focus will be on capacity building through skills development and provision of basic agricultural infrastructure including production inputs.

In collaboration with Gauteng Department of Agriculture, the Agriculture Division will also provide Agricultural Starter packs to promote household food security as part of our contribution towards poverty alleviation. The target groups are the indigent households

3.3 DAY TO DAY SERVICE DELIVERY COMMITMENTS

While we will conclude the current running infrastructure projects in the city, we have identified new areas of growth which are at different stages of progress.

For areas in the north, including Soshanguve, Mabopane, GaRankuwa, Hammanskraal and Winterveld, priority will be placed on road and storm water infrastructure development. Bulk infrastructure such as reservoir extensions will also be prioritised, benefiting areas like Ramotse and Marokolong. Water purification plants will be upgraded throughout the city. Infrastructure Maintenance will be equitably prioritised in all other areas.

We still aim to deliver on all the national targets.

3.3.1 SERVICE DELIVERY AREAS IDENTIFIED FOR IMPROVED PERFORMANCE

The following are areas which the Municipality has identified to improve our performance on, even though most of them fall within the normal day to day service delivery components of the Municipality.

Provide quality basic services and infrastructure

- Providing basic water and sanitation through the public works department.
- Increasing the rate of top structure delivery both internally and through province, so as to also fast track the electrification of occupied houses.
- Formalizing the informal settlements, as well as the informal transport facilities.
- Increasing the capacity of reservoirs in the light of the high pace of developments in Tshwane.
- Increase the capacity to provide bulk engineering services for growth by utilising the Bulk Services Contributions for the purpose of the contribution, in accordance with the Town planning and Townships Ordinance (Ordinance 15 of 1986).
- Ensuring better maintenance of our public transport facilities
- Improving on the provision of non conventional energy sources

Facilitate higher and shared economic growth and development

- Facilitating faster investment in strategic sectors in the city. We are committed to reducing the cost of doing business and creating a one-stop service for legacy projects and strategic investments. The development of the RHEMIS program that will enable the processing of electronic business services is at an advanced stage.
- Fast tracking the provision of more reliable and safer public transport, such as the busses, thereby improving travel time and quality of travel.
- Improving the sustainability of job creation, and facilitating more initiatives to increase job creation and investment in the city.
- Greater efforts to improve SMME and COOP development and support.

- Further efforts to developing our stagnant nodes

To fight poverty, build clean, healthy, safe and sustainable communities

- Increasing our indigent registration to reach more people who require access to free basic services.
- Improving the exit rate for people on the exit register in a more sustainable way; which includes looking at more alternatives with the private sector and other partners to do this.
- Fast tracking the spatial frameworks that are still outstanding to ensure that the spatial patterns of development are removed.
- Focusing on sustainable initiatives that benefit the vulnerable, as this is a moving target.
- Marketing and increasing our efforts around 2010, to build greater hype and interest around the 2010.

Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service

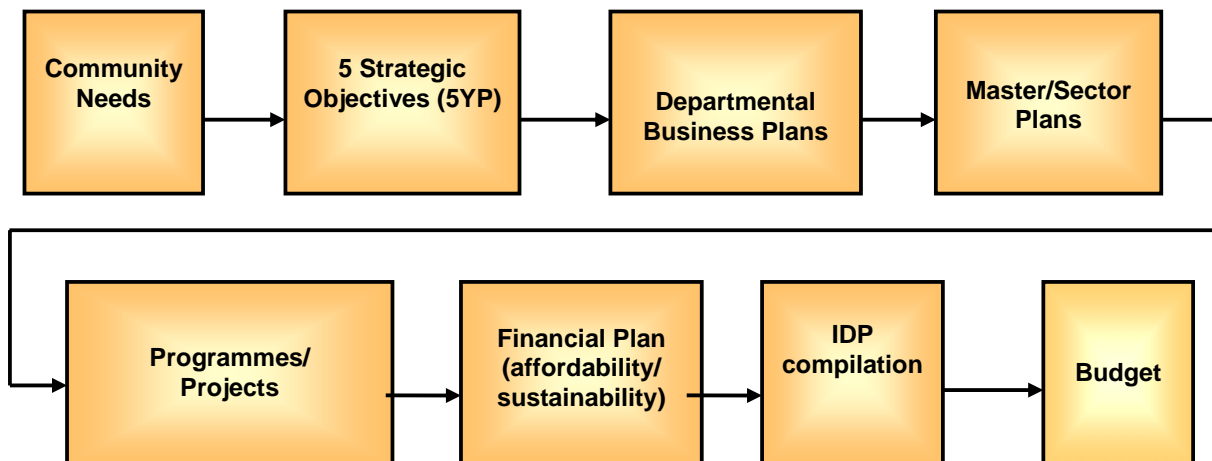
- Continuing to improve customer response time, making facilities more accessible.
- Improving the work around the ward committees.

Good governance

- Improving systems and processes to ensure spending on priorities more rapidly
- Continuously improving on mechanisms to hold senior management and the administration accountable
- Improving on revenue collection and billing

3.3.2 DEPARTMENTAL PROJECT SUBMISSIONS

The diagram below is a reminder of the planning process that culminated in the identification of departmental capital projects and the link to the capital budget.



The capital project lists of departments were therefore developed by departments after a detailed planning process. The detailed list of capital projects can be found in Annexure A at the end of this document. It must be noted that some projects will have capital funds implications for years 4 and 5 of the 08/09 MTEF and are not reflected in the table of Annexure A.

The capital projects list indicates:

- The project name and unique IDP project number;
- Which ward the project will be implemented in;

- The department that will be predominantly responsible to deliver the project; and
- The budget amount has been made available for the project for the next 3 years.

The *Public works and infrastructure* department is responsible for all projects related to:

- Roads, pavements and sidewalks
- Electricity provision
- Water and sanitation new projects and bulk infrastructure maintenance
- Transport projects

Housing services department is responsible for:

- The provision of top structures
- The provision of water in informal settlements
- The provision of water and sanitation as part of top structure development.

The *Economic development* department is responsible for:

- Tourism projects
- Local economic development projects
- The Tshwane market

Health and Social Development is responsible for:

- Clinics
- Managing the indigent programme (non- capital projects)
- Community empowerment centres
- Early Childhood development projects
- Special projects for women, youth, elderly and other target groups.
- Ambulances

The following initiatives led by the health and social development department are anticipated to have a city wide impact.

- Implementation of the Indigent Policy which is geared to ensure that all those households that qualify are registered on the indigents database for access to free basic services.
- The Department is also aiming to establish a community empowerment and capacity building unit, to fast track community development work.
- The Implementation of Municipal Health Act will be fast tracked, through the appointment of 27 new environmental health practitioners. This will also include the implementation of vector control campaigns.
- The department will also place greater emphasis on the implementation of the Air quality Management plan, Climate change and Sustainable Energy Strategy. This will include the development of a database on air quality and research studies on air quality.
- The department intends to extend the sampling programme for cholera, milk and water. This is linked to preparations for 2010 as well.
- Implementation of Baza Njengo Magogo Project (smokeless stoves) is another key priority for the department.
- A management information system for HIV/AIDS data is planned, as well as the continued implementation of the HIV/AIDS employee support programme, and the implementation of the new AIDS strategy.
- The City also plans to maintain the Maasmecclem project for youth development, as part of the development of further programmes for the youth.
- Plans are also underway to extend the ambulance services in the North.
- The department will also continue to implement development programmes and projects for vulnerable groups (women, youth, children, elderly and the disabled).

Sports, Recreation, Arts and Culture is responsible for:

- Libraries
- Multi-purpose centres
- Stadia and sports facilities

Agriculture and Environmental Management is responsible for:

- Resorts
- Agricultural projects
- Cemeteries
- Swimming pools
- Waste management

City Planning Development and Regional Services is responsible for:

- The Tsosoloso programme
- Re Kgabisa Programme
- Spatial development Frameworks
- The Akasia offices
- Managing development in the regions

It is important to note that in following reviews of the IDP, the regional focus will become more evident, as the capacity of the regions grow to take on more functions.

Corporate and Shared Services is responsible for:

- Offices for the regions
- Contact centre for the North
- Maintenance of municipal offices
- Human resource management and skills development (including the leadership academy)
- Information technology

Community Safety is responsible for:

- Equipping the current disaster operations centre.
- Refurbishing fire fighting vehicles.
- Using cameras and other speed law enforcement equipment to ensure road safety.
- Upgrading the one stop client centre at the licensing centres.

The Municipality will be launching a new online payment system in order to improve revenue collection. The system will allow citizens to pay their bills online using their credit cards, view their statements, and also query the status of their accounts using short messaging system (SMS) and the Internet via the city's portal. Further, we will be implementing an Automatic Meter Reading (AMR) system in selected areas, industries, government departments, businesses and affluent suburbs, where technology is ready to apply AMR in order to improve meter reading and enhance revenue collection.

3.4 WARD BASED BUDGETS

These funds are intended for the implementation of capital projects, identified by ward Councillors, to address the community's needs in specific wards. The intention is to give preference, when allocating these funds, to wards which received the least or no capital funding in that specific financial year.

An amount of R30 million (R7,5 million for each of the four divisions in the Public Works and Infrastructure Development Department, namely Water and Sanitation, Roads and Stormwater,

Transport Development, and Energy and Electricity) was allocated for the implementation of ward-based projects in the current financial year (2007/08).

The Office of the Speaker requested that all ward-based projects which were planned and given financial allocations in the previous financial year (2006/07), that were not implemented at all, be given financial allocations and implemented during the current financial year (2007/08).

The respective projects identified in the previous financial year, but which were not implemented, are the alterations and additions to the following three existing and construction of three new ward based facilities in:

- Ward 30: Erf 5797, GaRankuwa
- Ward 12: Holding 1658, Winterveldt X 4
- Ward 24: Holding 626, Winterveldt
- Ward 8: Sekampaneng
- Ward 14: Erf 2903, Stinkwater X1
- Ward 76: Erf 1946, Majaneneg

R5,9 m was transferred to the Corporate Services Department to fund the implementation of the alterations, additions to and construction of the six community facilities through the adjustments budget process. Amounts of R3,75 m and R2,15 m have been transferred from the budgets of the Water & Sanitation and Roads & Stormwater Divisions, thus reducing their budgets of R7,5 m each to R3,75m and R5,35 m respectively. Corporate Services is currently in process of preparing a tender for the appointment of consulting electrical, mechanical and electronic engineers as part of the implementation process of the community facilities. The Sport, Recreation, Arts & Culture Department, the Client Department for the implementation of the projects, indicated that an amount of between R3 m and R3,5 m of the transferred funds will be utilised in the current financial year. The Department intends spending a large portion of the funding on the clearing and fencing of the six sites. The work will be executed by existing appointed contractors. The expected completion date of the alterations and additions to and construction of three new community facilities is 31 March 2010.

Approval to commence with the implementation of the projects was given by the Office of the Speaker on 25 January 2008.

The Ward Based projects to be implemented by the different Divisions within PW & ID in the current financial year are summarised as follows:

Water and Sanitation Division:

Description	Current Stage	Percentage of Current Stage Completed	Commencement Date of Current Stage	Completion Date of Current Stage
Water reticulation: Leboneng (Kudube X10)	Planning & Specification	50 %	14 May 2008	29 Aug 2008
Water reticulation: Stinkwater Unit A	Planning & Specification	35 %	10 April 2008	14 Nov 2008
Water reticulation: Stinkwater Units B,C and D	Planning & Specification	35 %	01 April 2008	20 Jan 2009
Water reticulation: New Eersterust Ext. 1,2 and 3	Planning & Specification	25 %	01 April 2008	20 Jan 2009

Energy & Electricity Division:

Description	Current Stage	Percentage of Current Stage Completed	Commencement Date of Current Stage	Completion Date of Current Stage
Installation of Street 42 lights Church Street (Atteridgeville)	Construction	50 %	15 April 2008	30 April 2008
Installation of 100 Streetlights Suurman/Mashemong bus route	Project handover	0 %	21 May 2008	29 May 2008
Installation of 50 Streetlights Soshanguve South ext. 5 and 6	Construction	50 %	16 April 2008	30 April 2008
Installation of 75 Streetlights Soshanguve Block UU/WW	Setting out of work	50 %	09 April 2008	15 April 2008
Installation of 36 Streetlights Acredian Road - Lotus Gardens	Construction	25 %	16 April 2008	25 April 2008
Atteridgeville railway Station 1 High mast	Tender process	20 %	08 Feb 2008	30 April 2008
Installation of 90 Streetlights Soshanguve South ext. 2,3 and 5	Construction	0 %	16 April 2008	09 May 2008
4 Highmast lights: Soshanguve Block BB and L	Tender process	20 %	08 Feb 2008	30 April 2008
2 Highmast lights:Garankuwa Zone 16	Tender process	20 %	08 Feb 2008	30 April 2008
2 Highmast lights:New Eersterust	Tender process	20 %	08 Feb 2008	30 April 2008
Installation of 13 Streetlights Wonderboom South	Appointment of Contractors	30 %	07 April 2008	07 April 2008
Installation of 40 Streetlights Baviaanspoort Rd	Material: Ordering and delivery	75 %	13 Feb 2008	31 March 2008
Installation of 50 Streetlights Christian De Wet (Phase 2)	Site handover	0 %	08 April 2008	08 April 2008
Installation of 50 Streetlights Hammas drive - Hammanskraal East	Energizing	0 %	12 May 2008	12 May 2008

Roads & Stormwater Division:

Description	Current Stage	Percentage of Current Stage Completed	Commencement Date of Current Stage	Completion Date of Current Stage
Pedestrian sidewalks	Construction of pedestrian walkways	30 %	24 March 2008	27 June 2008

Transport Development Division:

Description	Current Stage	Percentage of Current Stage Completed	Commencement Date of Current Stage	Completion Date of Current Stage
Completion Nellmapius Taxi Rank: Phase 2	Obtaining quotations	45 %	03 March 2008	20 July 2008

Community Facilities:

Description	Current Stage	Percentage of Current Stage Completed	Commencement Date of Current Stage	Completion Date of Current Stage
Fencing and clearing of sites for 6 community facilities	Obtaining quotations	100 %	15 April 2008	30 April 2008

Expenditure:

Division/ Department	Budgeted Amount	% Expenditure	Estimated expenditure on 30 June 2008
Water & Sanitation	R3 750 000	0 %	100 %
Energy & Electricity	R7 500 000	37 %	100 %
Roads & Stormwater	R12 000 000 (R5 350 000 + R6 650 000 not utilised by Transport Development)	17 %	100 %
Transport Development	R850 000	0 %	100 %
Corporate Services	R5 900 000	0 %	48 %

3.5 RISK MANAGEMENT

Risks are identified at three levels in the CoT. At a strategic level, an institutional risk assessment is done, at departmental level, departments identify risks during the annual planning cycle which recorded in their business plans, and at project level risks are identified in project plans.

Identified risks are evaluated to determine their likelihood of occurrence and their possible impact. "Inherent Risks" are considered, i.e., the risk before controls are developed. This tends to provide a picture of the worst case scenario, and is used to illustrate the quantum of risk if adequate controls are not put in place and/or controls fail. The evaluation result of the risk in terms of their likelihood and impact is consulted on, to ensure that the assessment is relatively accurate.

Weighting criteria for the evaluation of risks that are used in the CoT:

IMPACT

Level	Value (Millions of Rands)
Catastrophic	1 000
Critical	500
Serious	100
Significant	50
Minor	25

LIKELIHOOD

Level	Rating
Remote	0.02
Unlikely	0.10
Moderate	0.20
Likely	0.5
Almost Certain	1.0

Risk Monitoring and Management

Risk management takes place through various channels which includes the reporting of departments through quarterly reports, and the monthly reporting at a project level. Every six months a corporate risk report is provided to Top Management.

3.5.1 HIGH LEVEL RISK IDENTIFICATION

The following are risks that have been identified that could impact on the achievement of the IDP (five year strategic programme)

a) Institutional Capacity and Human Resources

Most departments identify insufficient personnel to more effectively provide their services. This is even more prevalent in infrastructure service delivery oriented fields. The most prominent reasons are:

- The Evolving organisational structure and current positions not filled.
- Shortage of technical skills, especially in engineering fields; and

There is a high exodus of technically skilled employees for more lucrative positions. The subsequent long periods of vacancy as well as the re-orientation of new staff impacts service delivery. It may also impact negatively on the ability to implement the Capital Programme that increases from R1.5 billion in the 2007/08 financial year to almost R1.8 billion in the 2009/10 financial year. This represents an increase of 20% in 2 years, or about 10% per annum. The staffing levels cannot meet this growth at current funding levels. This is also exacerbated by a lack of spare capacity on the construction industry.

- The additional operational budget required to fill positions often is not affordable by the department, whilst the City has to achieve restructuring grant conditions related to the % of OPEX spent on employee costs.

b) Leadership related risks

Unclear or misunderstood roles and responsibilities leading to;

- Lack of delegation of responsibilities;
- Poor interdepartmental support;
- Insufficient training opportunities; and
- Service level agreements not being honoured.

c) Funding/Resourcing

Almost all departments identify insufficient funding to fulfill their portfolios. The insufficiency of budgets related to both capex and opex.

- The capex concerns are mostly driven by the need to eradicate backlogs by the set due dates.
- Insufficient Funding for Maintenance which can lead to loss of assets or alternatively higher replacement costs at later stages of the product's lifespan.
- Lack of opex also limits the amount of pre-planning (feasibility studies) to be performed which in turn have a detrimental effect to the success of latter stages in infrastructure delivery.
- Lack of funding is also impacting on sufficient equipment such as IT networks, etc.
- Inadequate Understanding and Exploring of Alternative Funding Sources

d) Construction Boom

Related to Funding above is the rising cost of materials due to the construction boom and environment of higher interest rates in the country.

- This has resulted in higher tender prices for work that is perceived to be small in comparison.
- It also places the availability of materials and machines at risk, and substitute materials may not always be of the required quality.
- This rising cost of construction may continue until the infrastructure for the 2010 FIFA world cup has been completed.

e) Procurement Process

- Implementation of CAPEX projects is delayed as a result of lengthy procurement processes.
- Achievement of BEE Targets: BEE targets may not be achieved since the PPPFA places too much emphasis on Price. There has been an identified need for review of legislation, which is outside of the control of CoT.

f) IT Systems

- Some concerns remain over the billing system particularly as it has to be applied to all properties in the CoT.
- Properties in cross-border areas must still be identified; hence there is uncertainty over the completeness of data/housing information.
- Lack of effective SAP support and effective and efficient support from the IT Support department.
- Poor integration between systems (e.g. SAP and Revenue Management Systems)

g) Land Use Management

- There is a risk of an increase in land invasion if current settlements are not registered timeously
- Lack of complete accreditation of the Housing Services Department impedes service delivery

h) Alignment of policies and processes

- Poor alignment of all council strategic processes and policies (CDS, TGDS, IDP, business planning etc) will slow processes down;
- National and Provincial directives sometimes do not align with the planning cycle of government, and it impacts service delivery.

i) Service Delivery and Eradication of Backlogs

- Eradication of infrastructure and service backlogs against provision of new infrastructure to respond to growth: the current backlog is such that we are looking at a 20 year time frame of heavy investment in order to eradicate all of it. To reduce the infrastructure backlogs in the City, together with providing infrastructure that meet the growth demand, is a challenge.
- Affordability of Service Levels: the levels of services that are affordable to the City and the different communities may not be acceptable by some communities. The cost implications for unaffordable, higher levels of service may have an impact on the availability of funds for operations and repair/maintenance in future years.
- Targets to eradicate backlogs are set by external stakeholders without associated funding: Example: the target to tar all Township Roads by 2009 originated from the Premier's commitment on 13 February 2006 at the opening of the provincial legislature. It must be clearly stated that, with current budget allocations and other realities/limitations, there is a high risk that it may not be possible to reach this target in the three identified Top 20 Townships (Atteridgeville, Mamelodi and Soshanguve) by 2009.

3.6 INTERGOVERNMENTAL COMMITMENTS

Initiatives were embarked upon by Provincial government to improve integrated development planning especially with regard to provincial funding of projects. Department of Local Government (DLG) initiated a process called the "July-to-July" roadmap to achieve this amongst others. Provincial Treasury required of all provincial departments to negotiate their projects with local municipalities as a pre-requisite for funding.

Correspondence was received from DLG on 26 October 2007 and 9 November 2007 submitting to the City of Tshwane the draft provincial sectoral budgets. Feedback was provided to DLG during December 2007 on the draft provincial sectoral budgets. The final provincial budget was forwarded to the CoT on 4 March 2008, and despite numerous requests from the CoT for a response on matters raised regarding the provincial sectoral budgets, there has been no clarity provided.

Some of the inputs provided to DLG by CoT included:

- The submission of economic development projects requiring funding.
- We encouraged 'one on one' contact between officials responsible for the budget preparation of both spheres of government to expedite matters.
- There was no clarity on project information where budgets seemed to be allocated to the CoT.
- The need for more infrastructure and/or capital funding from external sources due to limited funding for infrastructure maintenance.
- The draft budget schedules were largely unclear and in some instances incomplete or absent.
- We requested that the provincial budgets be issued by end August each year to allow for interpretation and more discussion between the officials, enable integration and result in accurate budget preparation by both parties.
- The CoT MTEF 2008/2009 for Housing was severely affected due to the provision of bridging finance by CoT during the 2007/2008 financial year but for which the co-funding from Province did not materialize thereby creating a substantial shortfall in the Housing department's budget. We requested that the matter be investigated.

Therefore this second revision of the IDP 2006-2011, still does not have provincial projects.

CHAPTER 4: FINANCIAL PLAN

4.1 INTRODUCTION

The approval of the 2007/08 Mid-year review and adjustments budget has directly informed the compilation of the draft 2008/09 MTREF, aligned to the spirit of the Municipal Finance Management Act, and more specifically the principle of multi-year budgeting.

The financial planning principle of budgeting for improved service delivery and subsequently realising operational efficiency gains while ensuring the city's deliverables are attained in a sustainable manner has been strictly implemented with the compilation of the draft 2008/09 draft Medium-term Revenue and Expenditure Framework. In ensuring this principle is successfully implemented through the entire planning process, the IDP Office and Performance Management Office have not only been key role-players throughout the process (departmental budget hearings), but also contributed to the development of the budgeting principles and guidelines.

In his State of the Nation Address, the State President said:

(Unaltered)

"The entirety of our system of governance is therefore making the commitment that in the period ahead of us, it will do its best to live up to the imperative – Business Unusual! We speak of Business Unusual not referring to any changes in our established policies but with regard to the speedy, efficient and effective implementation of these policies and programmes, so that the lives of our people should change for the better, sooner rather than later."

"Business unusual", hence the principle of ensuring total value for money which will place the CoT in a position by which more can be achieved with less (planning for improved service delivery). The challenge of addressing unlimited needs within the constraints of limited resources has necessitated a change in the way we do business to ensure we stretch the value of a rand to the maximum in order to get more done with less.

The compilation of this medium-term revenue and expenditure framework within the 2008/09 time-schedule (approved by Council on 27 September 2008), various directives from National Treasury, as well the community consultation process which was undertaken from 1 to 23 April 2008, once again demonstrates, not only the commitment of the CoT to the strict adherence to the MFMA and National Treasury's Reforms, but the continuation and refinement with the process of transparency and a people centred local government (principles of Batho Pele).

With the finalisation of the 2008/09 MTREF, various unfunded issues were raised at the Mayoral Budget and Transformation Committee. Consideration had to be given to issues in respect of funding and implementation: These issues included, inter alia the following:

- Agriculture and Environmental Management indicated that funding is required for the appointment of permanent labourers at the Waste Management Division to the value of R120 million. After extensive deliberation it was decided that a phased approach would be implemented at 25% per annum, and as a result an amount of R34 million will be allocated to the Division with the 2008 Adjustments Budget.
- Community Safety indicated that additional R78 million would be required for vacancies related to the further role out of the Safer City Policy. Owing to affordability constraints, an amount of R35 million has been made available for this purpose in the 2008/09 MTREF. This amount also related to the provision of security services during the 2010 SWC. The finance

Department corresponded with the National Treasury and South African Police Services and it was confirmed that an amount of R1, 2 billion has been allocated to SAPS for this purpose. The Metropolitan Police Division will therefore have to enter into discussions with SAPS and compile a MoU in terms of addressing the security requirements of the 2010 SWC.

- Transport Division indicated that an amount of R443 million would be required for the 2008 financial year in terms of upgrading the Wonderboom Airport for the 2010 SWC. After deliberations, it was decided to phase out the project to 2014, and only address the critical infrastructure needs to ensure the Airport is operational for the 2010 SWC. An amount of R160,4 million was therefore included in the capital programme for the 2008/09 financial year. It needs to be noted that currently no provision has been made for the 2009/10 and 2010/11 book years as the capital programme will have to be prioritised with the compilation of the 2009/10 MTREF owing to affordability constraints.

4.2 BUSINESS PLANNING AND FINANCIAL STRATEGY

As per Chapter 2, National and Provincial imperatives were also included in the process of reviewing the IDP, and hence the 2008/09 MTREF. The established CoT business planning processes have been used to guide the detail operational budget appropriations and three year capital programme.

LONG-TERM FINANCIAL STRATEGY

The Long-term Financial Strategy (LTFS) has essentially informed the compilation of the 2008/09 Medium-term Revenue and Expenditure Framework relating directly to affordability and long-term sustainability.

Although the LTFS is predominantly a financial planning tool to ensure long-term financial sustainability for the organisation, the financial planning process and LTFS run parallel to ensure the strategies and direction of the CoT are at all times informed by best practice. One of the salient features of the LTFS is the attentiveness to ultimate sustainability, not only from a municipal finance perspective, but also relating to service delivery in line with the CDS imperatives/priorities, a driver of the Five-year Integrated Development Plan.

Within the context of the LTFS the following has been modelled into the strategy:

- Economic climate;
- Macro economic factors;
- City growth revenue increase factor;
- Poverty levels in the City;
- Inflation pressures;
- Debt level of the City,
- Household formation rate;
- Residential property value;
- Repairs and maintenance increase factor;
- Infrastructure development vs. the maintenance of current infrastructure;
- Service delivery cost increase etc.

4.3 2008/09 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

The following budget **principles** and **guidelines** have directly informed the compilation of the draft 2008/09 MTREF as adopted by the Municipality's Top Management on 8 February 2008:

- The set 2008/09 priorities and city scorecard targets as well as the MTREF baseline allocations per main function are confirmed;
- The use of intermediary service level standards subsequently informing the measurable objectives, targets and backlog eradication goals;
- Rates and increases take into account the need to address infrastructure backlog;
- Maintain best practice logic within the planning context always taking into consideration the balanced budget constraint;
- The Municipal Manager should analyse performance trends in terms of operational and capital budget components, with specific attention being given to underperforming functions/strategic units. Special attention needs to be given to efficiency gains and the principle of value for money;
- Detail business plans of each function/strategic unit will have to be finalised by the end of February 2008;
- No capital allocations are to be made to the Executive Mayor/Municipal Manager strategic unit;
- No budget will be allocated for external funded projects unless the request is supported by a confirmation on the specific grant;
- No budget will be allocated for capital projects unless the request is supported by a project plan;
- The ASD is to be factored urgently into the Budget Process and subsequently finalised;
- Tariff increase should respond to the following within the framework of National Treasury Circular No 45:
 - 2008 Division of Revenue Act;
 - Population growth rate (2.5%);
 - Maintenance Budget to be 14,0% of total operating income (Restructuring Grant target to preserve the city's quality infrastructure);
- REDS – To be flagged-out as a major risk because the asset base of the Municipality will be significantly reduced if REDS become Public Entities;
- The threshold on Capital Assets is set at R10 000. Essentially any individual item with an asset value of below R10 000 will be expensed against the non capital items GL within the raw and consumption materials group of expenditure. Items exceeding this threshold will have to be provided as part of the capital budget.

4.3.1 AMENDMENT TO BUDGET POLICY

The Budget Policy was approved on 02 August 2007. During the 2007/08 financial year, a number of issues arose that called for the amendment of the Policy to address the shortcomings and interpretation issues. The following amendments are proposed:

Amendment:

Fund Transfers: Operating Budget

According to Chapter 5, Part Two, paragraph 4.2 of the Budget Policy it is a prerequisite that all operating budget fund transfers must be authorised by the respective strategic executive director/department head and the respective Member of the Mayoral Committee.

No Member of the Mayoral Committee is responsible for the Office of the Executive Mayor and the City Manager and hence nobody in that capacity can be held responsible in terms of paragraph 4.2.

It is therefore proposed that Chapter 5, Part Two: Fund Transfers, paragraph 4.2 of the Policy be amended to read as follows:

"A prerequisite will however be that all operating budget fund transfers must be authorised by the respective strategic executive director/ departmental head and the respective Member of the Mayoral Committee. In the absence of the strategic executive director/ departmental head, he/she may delegate the authority in this regard to a person acting on his/her behalf. In the event of a department not accountable to a Member of the Mayoral Committee, authorisation should be obtained from the City Manager instead."

Amendment:

Fund Transfers: Capital Budget

According to Chapter 5, Part Two, paragraph 5.2.8 of the Budget Policy the relevant Member of the Mayoral Committee must sign the documented fund transfer or amendment on the required format and he/she must give careful consideration on the proposed transfer implication on service delivery. According to paragraph 5.2.10 the Accounting Officer as defined by the Act has to approve the proposed fund transfer once the report had been signed by the Strategic Executive Director and the Member of the Mayoral Committee and the IDP Office comments had been included.

At the Council meeting of 27 March 2008 it was resolved that all priority programmes/projects approved through the MTREF should be 'ring-fenced'. It is therefore proposed that all capital budget fund transfers are submitted to the Mayoral Committee for consideration and possible approval to ensure the original intention of the project is achieved. The rule set out in Paragraph 5.2.10 will have to be changed accordingly. All the other rules under paragraph 5.2 remain in force.

It is therefore proposed that Chapter 5, Part Two: Fund Transfers, paragraph 5.2.10 of the Policy be amended to read as follows:

"The Mayoral Committee has to consider the proposed fund transfer for approval once the documented fund transfer or amendment on the required format had been signed by the Strategic Executive Director, the City Manager as Accounting Officer and the relevant Member of the Mayoral Committee and the IDP Office comments had been included."

Amendment:

Capital Budget: Conditions of capitalisation

In terms of Chapter 4, Part Two, paragraph 1 of the Budget Policy certain conditions must be met to determine which items need to be capitalised and included in the Asset Register as property, plant and equipment.

The threshold value (minimum acquisition price) is used, to determine which items need to be capitalised and included in the Asset Register. The threshold value will be reviewed annually by the Chief Financial Officer in consultation with the office of the Auditor General if necessary. The current value stands at R100 000. Resulting from a need to exercise greater control over items bought to be used in the production or supply of goods or services, it is proposed that the threshold value should be amended to R10 000 with effect from 1 July 2008.

4.3.2 OPERATIONAL BUDGET

The following table represents the 2008/09 MTREF as informed by the 2007/08 Adjustments Budget, CoT business planning process, Five-year Integrated Development Plan and various other best practice methodologies e.g. balanced budget constraint, affordability of services to the community within the context of sustainability:

Table 4.3.2(a)

CITY OF TSHWANE - BUDGETED PARENT ENTITY STATEMENT OF FINANCIAL PERFORMANCE (BY DEPARTMENT/STRATEGIC UNIT)							
Description	Preceding Year 2006/07	Current Year 2007/08			2008/09 Medium Term Revenue and Expenditure Framework		
	Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget Year 2008/09	Budget Year +1 2009/10	Budget Year +2 2010/11
Operating Revenue By Department	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Office of the Executive Mayor & Municipal Mgr	(1,347)	(596)	(61,820)	(61,820)	(70,571)	(57,586)	(23,152)
General Assessment	(3,229,275)	(3,600,954)	(3,725,954)	(3,725,954)	(5,021,575)	(5,472,215)	(5,967,078)
Financial Services	(70,333)	(62,843)	(63,931)	(63,931)	(53,528)	(56,959)	(60,862)
Corporate & Shared Services	(43,100)	(55,825)	(52,813)	(52,813)	(57,161)	(61,494)	(66,141)
Community Safety	(124,718)	(149,871)	(143,421)	(143,421)	(153,825)	(167,004)	(181,204)
Economic Development	(128,428)	(148,528)	(153,345)	(153,345)	(160,073)	(164,272)	(175,147)
Health & Social Development	(53,942)	(53,091)	(64,783)	(64,783)	(62,853)	(68,231)	(74,028)
Sport & Recreation	(40,903)	(38,638)	(40,292)	(40,292)	(39,097)	(61,421)	(12,305)
Housing Services	(152,621)	(475,625)	(258,475)	(258,475)	(252,622)	(260,116)	(257,792)
Agriculture & Environmental Management	(303,467)	(369,783)	(369,961)	(369,961)	(408,754)	(422,816)	(455,318)
Public Works	(4,389,212)	(5,187,921)	(5,236,422)	(5,236,422)	(6,356,833)	(6,780,971)	(7,564,051)
City Planning & Regional Services	(67,110)	(63,083)	(63,213)	(63,213)	(72,085)	(82,136)	(92,257)
Total Operating Revenue	(8,604,455)	(10,206,759)	(10,234,429)	(10,234,429)	(12,708,977)	(13,655,221)	(14,929,335)
Operating Expenditure By Vote							
Office of the Executive Mayor & Municipal Mgr	416,565	459,513	516,291	516,291	716,728	739,745	746,263
General Assessment	556,526	295,402	279,644	279,644	868,733	928,228	991,846
Financial Services	353,358	465,526	485,678	485,678	518,558	557,280	590,025
Corporate & Shared Services	548,332	552,038	553,686	553,686	651,254	758,132	814,417
Community Safety	579,889	739,731	731,999	731,999	858,254	852,128	891,483
Economic Development	256,443	244,544	260,333	260,333	350,998	373,256	394,046
Health & Social Development	209,243	237,087	257,283	257,283	286,302	301,347	327,920
Sport & Recreation	146,986	184,432	187,229	187,229	232,365	242,034	245,793
Housing Services	288,589	316,547	324,469	324,469	377,524	393,280	421,719
Agriculture & Environmental Management	720,285	700,552	706,650	706,650	763,577	820,209	872,288
Public Works	4,556,988	4,738,751	4,897,335	4,897,335	5,710,342	6,305,059	6,893,106
City Planning & Regional Services	108,004	122,176	133,848	133,848	164,751	175,210	186,741
Total Operating Expenditure	8,741,209	9,056,301	9,334,443	9,334,443	11,499,385	12,445,907	13,375,646
(SURPLUS)/DEFICIT	136,754	(1,150,458)	(899,986)	(899,986)	(1,209,592)	(1,209,313)	(1,553,689)

Notes:

1. Surplus includes capital government grants which are appropriated to the capital expenditure budget (see table 5.2.1 and 6(a))
2. Includes depreciation charges for externally funded assets offset by transfer from reserve accounts (see table 6(a)). (not included in the IDP)

Although the departure point in terms of affordability was the approved 2007/08 MTREF, and more specifically the outer year allocations, various changes have influenced the draft 2008/09 MTREF (e.g. strategy changes, Property Rates Act, Division of Revenue Act etc). Departments utilised the months of November and December 2007 (in terms of the approved time-schedule) to capture

detail budget proposals aligned to the business planning process as well as the imperatives of the Five Year Integrated Strategic Development Plan. The captured budget proposals were subsequently analysed by the Finance Department prior to the departmental budget hearings which took place from 5th to 15th February 2008. These sessions did not only focus on expenditure, but revenue generation potential within the context of improved service delivery, operational efficiencies and potential gains as well as the revenue enhancement strategy formed the core of the agenda. In addition these sessions were chaired by the CFO and departmental representation was critically emphasised at an executive management level. Subsequent to the budget hearings departments were given an opportunity to go back and refine their captured budget in line with the approved budget principles. Departments were further requested to provide detailed motivations for funding requested as well as the cost breakdown of specialized items such as special projects, special events, consultant fees, non-capital items etc

Furthermore, with the promulgation of the 2008 Division of Revenue Bill, the following operational and capital allocations towards the CoT have been factored into the draft MTREF:

	MUNICIPAL FINANCIAL YEAR				
	1 JULY - 30 JUNE				
	2008/2009	2008/2009	2009/2010	2009/2010	2010/2011
	Previous DORA	New DORA	Previous DORA	New DORA	New DORA
	R'000	R'000	R'000	R'000	R'000
Infrastructure Grants	769,467	912,604	468,910	985,140	1,235,678
Municipal Infrastructure Grant(MIG)	280,935	288,935	232,200	325,102	266,413
Integrated National Electrification Programme (Municipal) Grant	47,618	60,500	71,710	80,826	85,000
Public Transport Infrastructure System(PTIS)	400,000	510,169	165,000	565,245	864,180
2010 FIFA World Cup Stadium Development Grant	40,914	46,000	0	1,166	1,691
Neighbourhood Development Partnership Grant (Capital Grant)	0	7,000	0	12,801	18,394
Recurrent Grant Allocation	15,436	13,666	22,120	65,855	27,068
Local Government Financial Management Grant	750	750	750	750	1,000
Water Services Operating Subsidy Grant	0	12,916	0	9,305	5,280
Water Services Operating & Transfer Subsidy(DWAF) : Agreements	14,686	0	21,370	0	0
2010 FIFA World Cup Host City Operating Grant	0	0	0	55,800	20,788
Indirect Grant	0	24,061	0	31,301	29,257
Integrated National Electrification Programme (ESKOM) Grant	0	↔19,176	0	↔23,675	↔27,484
Neighbourhood Development Partnership Grant (Technical Assistance)	0	↔4,000	0	↔6,151	↔1,773
Backlogs in Water and Sanitation at Clinics and Schools Grant	0	↔885	0	↔1,475	0
Equitable Share	1,264,591	1,303,064	1,474,114	1,499,852	1,723,285
Equitable Share Formula	362,413	400,887	510,650	536,388	702,148
RSC Levies Replacement	902,177	902,177	963,464	963,464	1,021,137
TOTAL	2,049,494	2,253,395	1,965,144	2,582,148	3,015,288

- ↔ Allocations-in-kind (indirect grant) contained in the 2008/09 DoRA. Although these grants have been gazetted as Tshwane allocations, it needs to be noted that they do not form part of the CoT 2008/09 MTREF as these allocations are transferred directly to the implementing agent e.g. Eskom

The detail outcomes of the draft 2008/09 Medium-term Revenue and Expenditure Framework will be discussed further below.

4.3.2.1 REVENUE FRAMEWORK

In order to serve the community, and to render the services needed, revenue generation is fundamental to the financial sustainability of every municipality. The reality is that we are faced with backlogs of underdevelopment and poverty, challenging our revenue generating capacity. Municipalities must table a balanced and credible budget, based on realistic estimates of revenue that are consistent with their budgetary resources and collection experience. All sources of revenue such as own revenue, grants, subsidies, donor funds, trust monies and agency receipts must be included.

National Treasury provides guidelines for the compilation of municipal budgets for the next three years through circulars. For compilation of the 2008/09 MTREF Circulars 42 of 30 March 2007 and 45 of 8 February 2008 give specific guidance on requirements for funding the budget.

The following table is a high level summary of the 2008/09 Medium-term Revenue Framework (classified per main category of income):

Table 4.3.2.1

CITY OF TSHWANE - BUDGETED PARENT ENTITY STATEMENT OF FINANCIAL PERFORMANCE								
Description	Notes	Preceding Year 2006/07	Current Year 2007/08			2008/09 Medium Term Revenue and Expenditure Framework		
		Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget Year 2008/09	Budget Year +1 2009/10	Budget Year +2 2010/11
Operating Revenue by Source		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Property rates		(1,719,224)	(1,935,541)	(2,007,541)	(2,007,541)	(3,246,000)	(3,473,220)	(3,716,345)
Property rates - penalties & collection charges								
Service charges - electricity revenue		(2,664,518)	(2,991,198)	(2,994,198)	(2,994,198)	(3,385,621)	(3,679,411)	(3,996,146)
Service charges - water revenue		(1,036,701)	(1,162,275)	(1,198,567)	(1,198,567)	(1,471,069)	(1,598,722)	(1,736,345)
Service charges - sanitation revenue		(249,567)	(287,664)	(290,164)	(290,164)	(313,963)	(341,207)	(370,580)
Service charges - refuse removal		(250,700)	(286,551)	(286,551)	(286,551)	(328,054)	(336,959)	(365,966)
Service charges - other								
Regional Services Levies - turnover			(20,000)	(20,000)	(20,000)			
Regional Services Levies - remuneration								
Rental of facilities and equipment		(70,028)	(68,388)	(74,496)	(74,496)	(68,452)	(74,393)	(80,797)
Interest earned - external investments		(134,187)	(113,303)	(113,303)	(113,303)	(120,441)	(128,269)	(136,608)
Interest earned - outstanding debtors		(142,516)	(160,433)	(160,433)	(160,433)	(173,624)	(188,691)	(204,933)
Dividends received								
Fines		(38,390)	(57,434)	(49,434)	(49,434)	(53,891)	(58,568)	(63,610)
Licences and permits		(21,817)	(23,050)	(23,050)	(23,050)	(24,931)	(27,093)	(29,427)
Income for agency services								
Government Grants and subsidies - Operating		(1,248,260)	(1,498,338)	(1,647,618)	(1,647,618)	(1,725,378)	(1,848,082)	(2,045,236)
Government Grants and subsidies - Capital	1	(317,834)	(798,900)	(554,240)	(554,240)	(961,481)	(1,024,946)	(1,258,309)
Other income		(524,232)	(608,333)	(619,483)	(619,483)	(656,770)	(692,017)	(736,997)
Public contributions, donated & contributed PPE		(165,567)	(155,000)	(155,000)	(155,000)	(138,000)	(139,656)	(141,192)
Gains on disposal of PPE		(20,915)	(40,352)	(40,352)	(40,352)	(41,302)	(43,985)	(46,843)
Total Revenue By Source		(8,604,455)	(10,206,759)	(10,234,429)	(10,234,429)	(12,708,977)	(13,655,221)	(14,929,335)

Total revenue increased by 24,2% against the 2007/08 adjustment budget and by 24.5% against the 2007/08 approved budget. Cognisance needs to be taken of the fact that the percentage

revenue growth is inclusive of capital grants and donations which increased by 73,5% against the 2007/08 Adjustments Budget and by 20,4% against the 2007/08 approved budget.

Furthermore, owing to Section 15(4) of the Municipal Property Rates Act (MPRA) all projected reductions and rebates need to be reflected in the municipality's annual budget for that year as:

- Revenue on the revenue framework of the MTREF
- Revenue forgone on the expenditure framework of the MTREF

Owing to this requirement, consideration needs to be given to the fact that R715,5 million has been included in the 2008/09 MTREF (as in the table above) on both the revenue and expenditure components. This implication will bring about a slight change in the accounting for the transactions on a monthly basis.

The increase in interest earned on external investments is mainly related to the investment strategy of the CoT as informed by the cash flow planning of the organization, expenditure trends (operating and capital), revenue generating capacity, national and provincial grant transfers and current account surpluses.

The net realized profit from the sale of property, plant and equipment has been included as one of the format requirements relating to the implementation of GAMAP/GRAP and National Treasury Financial Management Reforms.

4.3.2.2 REVENUE AND TARIFF-SETTING

Revenue Strategy

The revenue strategy is a function of key components:

- Growth in the city and economic development.
- Revenue enhancement (refer Revenue Enhancement Strategy).
- Achievement of the 98% annualised collection rate for consumer revenue.
- National Treasury guidelines.
- Electricity tariff increases within National Electricity Regulator of South Africa (NERSA) approval.
- Achievement of full cost recovery of specific user charges.
- Determining tariff escalation rate by establishing/calculating revenue requirement.
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA).
- Power security in South Africa.

Tariff-setting

The CoT derives its revenue on the provision of mainline goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees), also contributes to the coffers of the CoT.

Tariff-setting plays a major role in ensuring certain levels of revenue assisting in compilation of a credible and balanced budget, and to accommodate the acceleration of basic services and alignment to the five-year strategic plan (programme).

The following principles and guidelines have been considered in the 2008/09 MTREF:

- The ability of the community to pay for services received.

- Realistic revenue estimates through a conservative, objective and analytical process based on realistically expected revenue, taking into consideration available actual revenue and estimated growth percentages.
- Identification and pursuance of grants from national, provincial and other agencies.
- The impact of inflation, and other cost increases.
- Credible collection rates and collection improvement targets.
- Ensure ability to extend new services and recovering of costs thereof.

Increases in tariffs should preferably be within inflation targets and stimulate growth in the local economy. According to National Treasury Circular 45 the latest available forecast for CPIX for 2008/09, 2009/10 and 2010/11 are 6,2%, 4,8% and 4,7% respectively. The additional revenue that will be generated through tariff increases has to ensure continued service delivery. Tariff increases were calculated at 8% with regard to the main services, with the exception of electricity, owing to the special circumstances regarding power security in South Africa.

The additional revenue that will be generated through tariff increases has to ensure continued service delivery. Tariff increases were therefore calculated at 8% (also in line with CPIX) with regard to the main services, with the exception of electricity (12%), owing to the special circumstances regarding power security in South Africa.

The current property rate tariff will not increase with a specific percentage owing to the implementation of the new valuation roll in terms of the MPRA from 1 July 2008. However a percentage increase of 8% in revenue and a 2% growth in the value base is proposed for the 2008/09 financial year.

The outcome of the increase in tariffs (revenue) on the different revenue categories is:

Revenue category	2008/09 growth %	2008/09 growth % included (revenue/tariff increase excluded)	2008/09 additional revenue for each 1% (revenue) tariff increase	2008/09 additional revenue owing to 8 % (revenue) tariff increase	2008/09 Total Budgeted revenue
	%	R'000	R'000	R'000	R'000
Property rates	3,0	2 148 612	21 486	171 888	✧2 320 500
Sanitation	2,5	287 931	2 879	23 032	310 963
⊕ Waste services	4,0	278 590	2 786	22 288	300 878
Water	2,5	1 342 661	13 426	107 408	1 450 069
⊕ Electricity	0,0	3 022 873	30 229	362 748	3 385 621
Total		7 080 667	70 806	687 364	7 768 031

✧ Excluding revenue foregone

⊕ 12% increase proposal

⊕ Now proposing a 15% increase owing to fuel and related costs.

Except for electricity and property rates (which will be discussed comprehensively), the revenue categories are highlighted as set out below and more information is available in the Budget Document.

4.3.3 PROPERTY RATES

Municipalities need a reliable source of revenue to provide services and perform their functions. Property rates are an important source of revenue for municipalities and are used to fund services that benefit the community as a whole and must cover the shortfall on the provision of general

services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

The Local Government: Municipal Property Rates Act (MPRA), 2004 has been promulgated with effect from 2 July 2005. Properties are now valued on the land plus improvements, and according to current market values, as at the date of calculation which for the CoT is at 1 July 2007. The implication is that some residents will pay more and others will pay less and neighbours may end up paying different amounts owing to inter alia the value of the house (improvements). The act requires that municipalities group properties by category and that an individual tariff be levied for each category. The property rate levied by a municipality on a property must be paid by the registered owner. It should therefore be noted that sectional titles will now be valued and levied individually.

In terms of Section 3 of the MPRA the Council of a municipality must adopt a policy on the levying of rates on rate-able property in the municipality and the policy must take effect on the effective date of the first valuation roll prepared by the municipality in terms of the act, and must accompany the municipality's budget for the financial year concerned. The rates policy will be reviewed annually simultaneously with the budget process.

The CoT informed the community of the Draft Property Rates Policy during the community consultation process from 1 to 24 April 2008 and a report containing the community inputs will be submitted to Council for approval on 29 May 2008.

The first general valuation under the provisions of this Act will be implemented on 1 July 2008. In the valuation process, the comparable method of valuation – the most acceptable local and international method for calculations was used. Information on properties was gleaned from a number of sources, i.e. title deeds, building plans, on site inspections, and analyzing of other factors such as location, stand size, age of improvements, quality of construction etc.

Calculations are now based on two main pillars, the rates policy and the general valuation roll.

The rate in the rand will substantially reduce owing to the huge increase in the rates base, from R21,3 billion (valuations based on land value only), to R268,6 billion after the improved valuation process of properties. A total of 466 570 properties have been registered.

4.3.3.1 DETERMINING THE RATES TARIFF

The tariff calculation on property rates is a specialised function, therefore an advanced application has been developed by an external programming company to develop a tariff calculator to determine the property rates tariff and rebates according to the draft Property Rates Policy of the CoT. The valuation roll gets fed electronically into the application which is described by the developers as a management decision making support tool.

The contributing factors in determining the property rates tariffs are discussed briefly. The draft Property Rates Policy contains the detail information.

The annual estimation of the growth % will play a major role in determination of expected revenue owing to improvements being included in the rates base. A 3,2% growth in the property valuations is expected for the 2008/09 financial year, resulting in approximately R67 million additional revenue from property rates. For the purposes of tariff calculation, the R67 million was subtracted from the requested budgeted amount for property rates as that would be billed on new developments and the current properties would not have to contribute to that amount.

The effect of additional revenue owing to the 20% rebate not applicable on Government (previously in terms of the Transvaal Rating Ordinance) was calculated on R30 million. This additional funding option was identified in the Revenue Enhancement Strategy. Independent schools and hospitals will also now be liable for the payment of property rates. However, schools for disabled and hospitals for mentally ill will receive a 100% rebate, if application is approved.

The draft Municipal Property Rates Regulations on a Rate Ratio between Residential and Non-residential Properties were considered. The ratio of the Business and Commercial as well as the Industrial categories to the Residential category was calculated on 2:1.

The applicable value rebate, tariff rebate and grants-in-aid in terms of the CoT draft Property Rates Policy were taken into consideration when the tariffs were determined.

An eight percent growth in property rates revenue was determined for the 2008/09 MTREF. The generation of further R150 million additional revenue from property rates is necessary to fund other major initiatives mainly benefiting backlog eradication of main services and roads in previously disadvantaged areas, as well as repair and maintenance of the current asset base of the city. The tariffs were therefore calculated to generate a total revenue of R2 470,5 million for the 2008/09 financial year.

A further R60 m will have to be generated to assist in funding capital requirements for Wonderboom Airport. This amount became available when the property rate revenue was calculated after the property rate calculator's data was refined. It was therefore not necessary to increase the tariff. The total property rate revenue amounts to R2 530,5 m for the 2008/09 financial year.

The amount included in the budget amounts to R3,246 billion owing to the disclosure of revenue foregone in terms of the MPRA.

Impermissible rate (VALUE REBATE)

The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).

Value rebate

The draft policy determines that a further R35 000 will be rebated on the value of a property used for residential purposes, above the R15 000 impermissible rate, before applying the applicable tariff.

Tariff rebates

35% rebate will be granted on all residential properties (including state owned residential and agricultural residential properties).

Grants-in-aid

a) Indigents

100% rebate will be granted to registered indigents in terms of the Indigent Policy of CoT.

b) Pensioners, physically and mentally disabled

- i) A maximum/total rebate of 50% (on the remaining property tax, after the applicable residential rebates have been granted) will be granted to owners of rateable property subject to total gross income of the applicant and/or his/her spouse, if any, not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year; or
- ii) A maximum/total rebate of 40% (on the remaining property tax, after the applicable residential rebates have been granted) will be granted subject to joint income of the applicant and/or his/her spouse if any, that is more than twice the annual state pension, but not to exceed R60 000 for a financial year, which amount may be reviewed during the CoT's annual budget process;

The final draft of the Property Rates policy however proposes a R75 000 income level, which will be considered for approval by Council on 29 May 2008.

- iii) The rateable property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - iv) The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - v) The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - vi) The property must be categorized as residential.
- c) Independent schools

The final draft of the Property Rates Policy proposes a 20% rebate to be granted to independent schools in the 2008/09 financial year, on the basis of an approved application to the CFO in the prescribed format. A further relief may be considered during the rates policy review during the next budget process. The draft Property Rates Policy will be considered for approval by Council on 29 May 2008.

This recommendation has been considered on the basis that independent schools are currently exempted from payment of rates in accordance with the Local Authorities Rating Ordinance, 1977 (Ordinance 11 of 1977), and further that the implementation of the MPRA will take effect in the mid-term of such schools' financial period and therefore no provision would have been made in their operating budget for the payment of property rates.

- d) The Municipality may award a 100% grant-in-aid on the assessment rates of rateable properties of certain classes such as registered welfare organizations, hospitals for mentally ill persons, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport, etc and after the owner of such property has applied to the Chief Financial Officer in the prescribed format for such grant and the application thereof has been approved.

4.3.3.2 The categories of rateable properties for purposes of levying rates and the proposed applicable rates are:

Category	Market value	Tariff	Ratio iro residential	% of total income
	R	c		%
Residential properties	189 325 839 958	0,9	1:1,0	43
Government properties	8 946 239 899	1,8	1:1,0	3
Business & Commercial	36 956 284 783	1,8	1:2,0	28
Agricultural	8 655 959 300	0,9 With sliding scale on hectares	1:1,0	1
Vacant land	10 009 889 902	4,0	1:4,4	18
Municipal non-rateable	5 315 725 066	-	-	-
Municipal rateable	129 259 600	According to category of use	-	0
Agricultural vacant	2 934 646 132	4,0 With sliding scale on hectares	1:4,4	2
Industrial	5 784 558 240	1,82	1:2,0	4
No category	3 555 527 884		-	
Public Service Infrastructure	419 247 053		-	
Totals	272 033 177 817			100

How to calculate the amount payable: Example of residential property

(Value less R50 000.00) X 0,9c less 35% divided by 12 for monthly property tax.
 (R1,0 million less R50 000,00) X 0,9c less 35% divided by 12 = R463,13 per month.

4.3.3.3 MUNICIPAL PROPERTY RATES REGULATIONS ON A RATE RATIO BETWEEN RESIDENTIAL AND NON-RESIDENTIAL PROPERTIES

Draft regulations published by the Department of Provincial and Local Government propose a ratio between the residential and non-residential categories of properties. The regulations propose a reduction in rates payable by the state and state-owned companies to a maximum of 25% of those payable on residential properties. The government also proposes restricting rates payable by industrial, commercial and mining, property owners. The loss in revenue in this regard will have to be loaded onto the residential and commercial role-players if service levels were to be retained. The NEC of SALGA will be meeting with the Minister of Provincial and Local Government to discuss the draft regulations. Alternatives to the proposed ratios in the draft gazette are being discussed based on public comments received.

The proposal submitted after comments from stakeholders is to revise the ratio between residential property and Business, commercial and Industrial property is revised upwards from 1:2 to 1:3. Furthermore, state owned property will be rated according to use or zoning.

The ratios applied when the tariffs were calculated are in line with the proposals. The residential ratio to business, Commercial and Industrial is currently 1:2.

4.3.4 WATER

Bulk purchases

- On 1 July 2007, Rand Water increased its bulk tariffs by 6,2%. This represents a total price increase of 17,61639c per kℓ (excluding VAT and the Water Research Commission levy), to 321,2376c per kℓ (excluding VAT and the Water Research Commission levy).
- It is estimated that approximately 77% of water will be purchased from Rand Water at a cost of R631,4 million. Approximately 8% will be purchased from Roodeplaat Temba Water Services Trust at a cost of approximately R61 million and 15% will be made available from our own sources (i.e. the Rietvlei springs, Sterkfontein springs, Erasmia borehole, etc).

CoT Tariff increase

- An 8% increase in water tariffs is proposed, generating R107,4 million additional revenue.
- The tariff applicable to non-residential (businesses, etc) will however increase with 10% as a phased process to be more in line with other metros and contribute towards generating approximately R7,0 million additional revenue to further economic development and an increased business base.
- A total revenue of R1 450 million is expected from water sales of 197,8 million kℓ in the 2008/09 financial year.
- 12 kℓ water per 30-day period will be granted free of charge to registered indigents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

CATEGORY	CURRENT TARIFFS 2007/08	PROPOSED TARIFFS 2008/09
	Per kℓ R	Per kℓ R
RESIDENTIAL		
(i) 0 to 6 kℓ per 30-day period (200 ℓ a day)	3,50	3,78
(ii) 7 to 12 kℓ per 30-day period	5,00	5,40
(iii) 13 to 18 kℓ per 30-day period	6,56	7,08
(iv) 19 to 24 kℓ per 30-day period	7,58	8,19
(v) 25 to 30 kℓ per 30-day period	8,66	9,35
(vi) 31 to 42 kℓ per 30-day period	9,37	10,12
(vii) 43 to 72 kℓ per 30-day period	10,03	10,83
(viii) More than 72 kℓ per 30-day period:	10,73	11,59
NON-RESIDENTIAL		
(i) 0 – 10 000 kℓ per 30-day period	7,25	7,83
(ii) 10 001 – 100 000 kℓ per 30-day period	6,89	7,44
(iii) More than 100 000 kℓ per 30-day period	6,41	6,92

Examples of monthly water consumption charges (single dwelling-houses):

Monthly consumption	Current amount payable	Proposed amount payable	Difference (8% increase)
kℓ	R	R	R
5	17,50	18,90	1,40
10	41,00	44,28	3,28
20	105,52	113,94	8,42
30	187,80	202,80	15,00
40	281,50	304,00	22,50
50	380,48	410,88	30,40
80	686,98	741,86	54,88
100	901,58	973,66	72,08

4.3.5 ELECTRICITY

NERSA approved on 20 December 2008, a 14,2% increase on the Eskom average tariff applicable from 1 April 2008. Due to the requirements of the MFMA, Eskom can only increase its prices to municipalities with effect from 1 July 2008. This time lag leads to an under-recovery by Eskom in sales to municipalities which calls for a higher price increase to municipalities which is determined to be 15,02%.

NERSA further decided that the Eskom tariff increase of 15,02% to municipalities translates to a guideline increase of 12% in the average electricity tariffs of municipalities.

The proposed Tshwane electricity tariff increases for 2008/9 include an energy increase of 12% and demand and fixed demand increases of approximately 5,6%.

NERSA also published an average municipal tariff level benchmark in c/kWh as detailed below:

	Domestic Low	Domestic High	Commercial	Commercial Prepaid	Industrial
RED 6 (Tshwane)	43 - 47	44 - 48	43 - 47	47 - 51	44 - 48

The proposed tariffs are within the set NERSA benchmarks, with the exception of the domestic tariff and the three-phase 126-150A non-domestic tariffs that are slightly – approximately 1% - higher than the benchmark. The non-domestic tariff scale on this level will phase out as new straight non-domestic connections will after 1 July 2008 be restricted to a maximum of 100A.

In line with the process implemented in 2007 to phase out free basic electricity – except for the grants to registered indigent customers - the perimeter of 200kWh or less consumption per thirty day period to qualify for 50kWh free will be adjusted to 100kWh or less on 1 July 2008 and will be phased out completely on 1 July 2009. The registered indigents will still be granted 100 kWh per 30-day period free of charge.

Examples of monthly electricity consumption charges (single dwelling-houses):

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (12% increase)
100	21,72	24,32	2,60
250	108,58	121,60	13,02
500	217,15	243,20	26,05
750	325,73	364,80	39,07
1,000	434,30	486,40	52,10
2,000	868,60	972,80	104,20

On 4 February 2008 CoT also received a letter from Eskom with regard to capacity constraints indicating that it would be addressed in three stages. The third stage, Power Conservation Programme, is relevant to the 2008/09 financial year and tariff and budget considerations.

The Power Conservation Programme is expected to last for approximately four years and is a quota based incentive / penalty system. The protocol for this system is currently under development but based on discussions with Eskom and NERSA, customers might be limited to a level of consumption that could be below or equal to the current load profile which implicates a no-growth scenario. For this reason natural growth was not calculated into the Eskom expenditure neither to the income from electricity sales.

Should the load profile be pitched lower than current consumption levels it is assumed that the two power stations of CoT will offset the requested cutback from Eskom purchases. For this reason the budget allowance to purchase coal for the power stations must be to allow for maximum generation and to prevent the anticipated high penalties for additional kWh above the set levels. Allowance to recruit additional staff is also important and the power stations must be empowered to operate outside the current procurement rules to acquire material / resources in short time.

4.3.5.1 Eskom's Draft application to NERSA for a further price increase in the 2008/09 MTREF

Eskom submitted its draft application dated 3 April 2008 to National Treasury and Organised Local Government in terms of Section 42 of the MFMA. A request from SALGA for comments on the submission was received on 10 April 2008.

In the submission Eskom recommends a revision of the price increase of 14,2 (15% approved for municipalities) for 2008/09. A 53% and 43% real price increase (60% nominal increase) in 2008/09 and 2009/10 respectively is requested. This is based on full pass-through of primary energy costs and DSM cost variances over the MYPD to be implemented in 2008/09. If the status quo remains, the price increase for 2009/10 will be almost 100%.

Their analysis reflects an urgent need to double prices over the next two years and thereafter, once they are at acceptable economic levels, prices can escalate marginally above inflation. The financial analysis already assumes a R60 billion government loan and aims to maintain Eskom's credit rating to enable the company to fund the build programme.

The submission contains a comprehensive motivation for the request.

The Strategic Executive Director: Public Works (Electricity Division) and Financial Services Department rendered comments on the submission motivating clearly why the CoT cannot support the new proposed tariff increase.

In addition, it needs to be noted that the CoT has undertaken an extensive community consultation process aligned to the legislative imperatives of the Municipal Finance Management Act. The intention of the community consultation process is to inform all relevant role-players within the Tshwane municipal boundary of the intended revenue and expenditure framework for the 2008/09 medium-term, in which a tariff increase of 12% for electricity was consulted on. Any further increase would directly be in contravention of the spirit of the MFMA, and the principles of Batho Pele, which require transparency and accountability within the system of municipal governance. Therefore, the price increase should have already been approved before 15 March 2008 for implementation 1 July 2008.

If NERSA allows the proposed Eskom tariff increase it will have an enormous impact on the affordability of electricity for local authority customers especially the indigent. In addressing the affordability, municipalities will most probably increase the already top heavy cross-subsidization burden on industrial and commercial customers. This will again result in increasing the gap between Eskom and municipal commercial and industrial customers to the extent that municipal commercial and industrial consumers will not be able to compete with their Eskom competition. It might be that municipalities end up losing prime customers and it will most certainly hamper the tariff harmonization process with the RED's imminent.

If municipalities are classified in the category "all other tariffs" it will mean a 63,5% increase on top of the 15% already approved for the 2008/09 financial year. Since it will be recovered over a period of nine months, the increase will most probably be in the order of 68 to 70% for municipalities.

Assuming a 68% increase, Tshwane will have to recover an additional R1,2 billion from its customers which equates to 37,26% of the current total electricity revenue included in the 2008/09 MTREF. This will result in an additional average increase in Tshwane electricity tariffs of 36,2% which can be considered totally unaffordable and unsustainable within the Tshwane context.

It needs to be noted that when tariff increases are considered in order to fund the expenditure framework of the City, care is given to economic factors such as household growth, indigent levels, inflation outlook and more importantly the ability of consumers to pay for services rendered. This issue is pertinent, as the long-term financial plan of the CoT concentrates on managing down outstanding debtors, and the implementation of a higher tariff increase will undoubtedly result in a significant increase in outstanding debtors.

Furthermore, the sustainability of the City becomes questionable as the current vulnerable cash flow status will inevitably be further negatively impacted on, as a higher tariff (R1,2 billion generated on behalf of Eskom) will directly result in an increased cash outflow (payment towards Eskom for bulk electricity purchases), with the parallel leg of cash inflow not realizing owing to the inability of consumers to pay. The challenge with the proposal relates directly to the fact that although Eskom's immediate financial need would be addressed, sustainability of municipalities becomes uncertain as to who will assist the municipalities managing the resultant bad debt. It is therefore a proposal by which the ends do not justify the means, as municipalities are mandated with the responsibility of eradicating infrastructure backlogs aligned to national targets. As it is, the City can already not meet the funding requirements to ensure that targets are achieved by which the man on the street is granted his constitutional right to basic services.

Whilst it is still uncertain whether this increase will be approved or adjusted by NERSA, it is incumbent on the Council to provide for this eventuality insofar as the amendment of tariffs are

concerned as the MFMA provides very clearly that tariffs can only be increased once during a financial year. Owing to the fact that NERSA will have to grant municipalities approval for an equivalent percentage increase it is therefore recommended that the proposed tariff for electricity for the 2008/09 financial year be amended by the inclusion of the following proviso:

“Provided that if an increase in the Eskom tariff in excess of 15,2% is granted by NERSA on or before 30 June 2008, the CoT tariff for the consumption of electricity for the 2008/09 financial year be increased on average by the percentage increase allowed by NERSA for municipalities with effect from 1 July 2008.”

4.3.6 WASTE-REMOVAL SERVICES

- Waste-removal revenue is proposed to be increased with 8% from 1 July 2008 to ensure that costs are recovered.
- Additional revenue of R22,3 million will be generated through the tariff increase and anticipated growth in service rendering.
- A structure change is however proposed from 1 July 2008.
- The tariff structure will be based on the cost per litre of refuse removed per month and on the service provided in a specific area.
- The tariff per litre was calculated at 12,6c.
- Tariffs for city cleaning are levied on all premises irrespective of who removes the waste generated on the premises.

At the end of the budget process a request was received from the Agricultural and Environmental Management Department for a higher tariff increase.

The price increases of specifically fuel and steel and the associated increases have a serious impact on the operational budget of Waste Management. Previous short falls on the budget could in the past when Waste Management was part of the larger Housing, City Planning and Environmental Management Department be absorbed. This is however not possible with Waste Management now the largest function in the new Agriculture and Environmental Management Department and will have to be addressed. The pressure to clean up illegal dumping and long grass to be cut had a further negative impact. Requirements by the Auditor General and the OHS-act were also implemented. It is therefore unfortunate that a 15% increase in solid waste tariffs will have to be considered in order to follow a phased approach in recouping the (R36,7 m more compared to the 2007/08 Adjustments budget) increasing shortfall on the waste management account. The new schedule containing the proposed 15% increase resulted in additional revenue of R18 m which has been included in the 2008/09 MTREF, is attached for approval.

The following table indicates a comparison between current and proposed tariffs, should a 15% tariff increase be approved, from 1 July 2008:

Table 4.3.6

	CURRENT TARIFFS 2007/08		PROPOSED TARIFFS 2008/09	
	WASTE REMOVAL	CITY CLEANING	WASTE REMOVAL	CITY CLEANING
Tariff per container per month or part of a month: Areas serviced by means of: (Tariff is multiplied by the number of service rounds per week and the number of containers.)	Per month (R)		Per month (R)	

	CURRENT TARIFFS 2007/08		PROPOSED TARIFFS 2008/09	
	WASTE REMOVAL	CITY CLEANING	WASTE REMOVAL	CITY CLEANING
240ℓ container removed once a week	27,91	27,91	32,06	32,06
85ℓ container removed twice a week	19,70	19,70	22,71	22,71
85ℓ container removed once a week	9,85	9,85	11,35	11,35
1 100ℓ container removed once a week	111,16	111,16	146,96	146,96

Note: The tariff per litre amounts to 13,6c.

4.3.7 SANITATION

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below.
- The free sanitation portion (98% of 6 kℓ water) will be applicable to registered indigents only.
- The tariffs are proposed to be increased with 8% from 1 July 2008.
- The total revenue expected to be generated from rendering this service amounts to R310,5 million for the 2008/09 financial year.

The following table compares the current and proposed tariffs:

(a)

CATEGORY	CURRENT TARIFF 2007/08		PROPOSED TARIFF 2008/09	
	% DISCHARGED	TARIFF PER kℓ	% DISCHARGED	TARIFF PER kℓ
		R		R
0 – 6 kℓ per 30-day period	98	2,54	98	2,74
7 – 12 kℓ per 30-day period	90	3,44	90	3,72
13 – 18 kℓ per 30-day period	75	4,44	75	4,80
19 – 24 kℓ per 30-day period	60	4,44	60	4,80
25 – 30 kℓ per 30-day period	52	4,44	52	4,80
31 – 42 kℓ per 30-day period	10	4,44	10	4,80
More than 42 kℓ per 30-day period	1	4,44	1	4,80

Assuming that the consumption of a household is 24 kℓ, then the amount payable will be calculated as follows:

(b)

Consumption	% discharged	Tariff R	Amount R
First 6 kℓ	98	2,74	16,11
Next 6 kℓ	90	3,72	20,08
Next 6 kℓ	75	4,80	21,60
Next 6 kℓ	60	4,80	17,28
Amount payable			75,07
kℓ x % discharged x tariff = amount payable			

Examples of monthly sanitation charges (single dwelling-houses)

Monthly water consumption	Current amount payable	Proposed amount payable	Difference (8% increase)
kℓ	R	R	R
5	12,45	13,43	0,98
10	27,32	29,50	2,18
20	58,82	63,56	4,74
30	83,33	90,06	6,73
40	87,77	94,86	7,09
50	89,01	96,20	7,19
80	90,34	97,64	7,30
100	91,23	98,60	7,37

4.3.8 OTHER TARIFFS

The tariffs for all the other services rendered i.e.; approval of building plans, swimming baths etc were investigated, and where possible, benchmarked with other metros. The tariffs of some services were increased with an inflation related percentage, some to ensure recovering costs. An increase of 25% on average is however proposed for the bus service which is necessitated by the fuel price increase of R3 per litre in the current financial year. Each department motivated its proposed increase which is attached to the tariff schedule for easy referral.

The short fall owing to these tariffs not always covering costs is funded through property rates.

The following services rendered, are however not increased as Departments were of the opinion that these tariffs are market related and a further increase will make these social services unaffordable and are therefore only included in the report for completeness:

- Cemeteries.
- Informal Trade and Micro Enterprise Development.
- Services rendered by the Environmental Management Division.

Owing to the discontinuation of the production of 1c and 2c coins by the Reserve Bank and to ease the administrative burden for cashiers at the various pay points, tariffs will be rounded off to the lowest 5c as prudent business practice.

In cases where the tariff is determined per square metre or per hour, the amount will only be rounded off after the total number of hours or square metres were determined.

The "hop on hop off bus" will be launched at the end of May 2008. It is proposed that the tariff be applicable from 1 July 2008 or nearest date thereafter as determined by the Strategic Executive Director: Economic Development.

Investigation of revenue contributions

The CoT currently doesn't levy property rates on unproclaimed areas for township development (i.e.) farm areas of Mabopane, GaRankuwa, Soshanguve, Stinkwater and Kudube). The levying of a flat rate will be investigated owing to necessary further infrastructure development. A database will have to be developed in order to render accounts. A cost benefit analysis will be undertaken and depending on the outcome thereof a process will be put in place for implementation with effect from 1 July 2009.

4.3.9 EQUITABLE SHARE

The equitable share allocation to the local sphere of government is an important supplement to existing municipal revenue and takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities, to the extent that such information is available.

It is an unconditional grant and allocations are contained in the Division of Revenue Bill, 2008 (DoRA).

The structure and components of the formula are summarized as follows:

Grant = BS + D + I – R ± C where

- BS = Basic services component
- D = Development component
- I = Institutional support component
- R = Revenue-raising Capacity correction
- C = Correction and stabilization factor

The basic component supports only poor households earning less than R800 per month and it also distinguishes between poor households provided with services and those provided with lesser or no services.

A municipality should prioritise its budget towards poor households and national priorities such as free basic services and the expanded public works programme.

The local government equitable share fulfils an important objective of ensuring stable and equitable allocations to all the municipalities. However, in recognition of the large differences in the circumstances that exist at local government level, a concerted reform process is necessary to prevent poorer municipal areas from being under funded. This process is already under way, with the hope that a solution can be implemented during the earliest subsequent budget cycle.

In terms of the Division of Revenue Bill, 2008, the allocation towards the CoT is R400,9 million in the 2008/09 financial year, R536,4 million and R702,1 million in the 2009/10 and 2010/11 financial years respectively. This amounts to an increase of R38,5 million for the 2008/09 financial year compared to the allocation indicated in the 2007 DoRA. Furthermore, in addition to the abovementioned amounts the RSC Levies replacement grant equates to R902,1 million, R936,5 million and R1 021,1 million in the respective years.

4.4 EXPENDITURE FRAMEWORK

The following table is a high level summary of the 2008/09 Medium-term Expenditure Framework (classified per main category of expenditure) for the CoT based on departmental budget proposals aligned to the Five-year Integrated Development Strategy, financial planning guidelines and a detail analysis of performance trends:

Table 4.4(a)

CITY OF TSHWANE - BUDGETED PARENT ENTITY STATEMENT OF FINANCIAL PERFORMANCE								
Description	Notes	Preceding Year 2006/07	Current Year 2007/08			2008/09 Medium Term Revenue and Expenditure Framework		
		Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget Year 2008/09	Budget Year +1 2009/10	Budget Year +2 2010/11
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
Operating Expenditure by Type								
Employee related costs		2,111,057	2,255,502	2,248,392	2,248,392	2,725,169	2,813,231	2,970,352
<i>Total Remuneration</i>		2,412,004	2,736,837	2,729,727	2,729,727	3,234,656	3,353,287	3,542,812
<i>Minus: Distribution Accounts Remuneration</i>		(300,947)	(481,335)	(481,335)	(481,335)	(509,487)	(540,056)	(572,460)
Remuneration of Councillors		45,946	47,182	48,184	48,184	76,722	81,262	86,070
Bad debts		193,489	129,021	129,021	129,021	131,774	138,472	145,396
Collection costs		49,538	53,179	53,179	53,179	70,281	74,568	79,047
Depreciation	2	558,584	728,388	728,388	728,388	832,526	953,087	1,069,673
Repairs and maintenance		1,325,086	1,096,958	1,111,117	1,111,117	1,413,138	1,511,763	1,622,778
<i>Primary Cost</i>		727,352	719,384	735,218	735,218	925,937	995,329	1,075,359
<i>Secondary Cost</i>		597,734	377,574	375,899	375,899	487,202	516,434	547,420
Interest paid		314,136	382,139	382,139	382,139	354,567	440,948	483,012
Bulk purchases		2,130,979	2,232,956	2,232,956	2,232,956	2,563,032	2,816,197	3,094,444
Contracted services								
Grants and subsidies paid		8,392	12,185	12,185	12,185	12,953	14,269	15,136
General expenses		2,004,000	2,118,792	2,388,884	2,388,884	3,319,224	3,602,111	3,809,737
<i>Primary Cost</i>		1,903,974	2,024,768	2,287,372	2,287,372	3,215,092	3,491,731	3,692,734
<i>Secondary Cost</i>		100,026	94,024	101,512	101,512	104,132	110,380	117,003
Operating Expenditure by Vote		8,741,209	9,056,301	9,334,443	9,334,443	11,499,385	12,445,907	13,375,646
(SURPLUS)/DEFICIT (1)		136,754	(1,150,458)	(899,986)	(899,986)	(1,209,592)	(1,209,313)	(1,553,689)
Reserve movements (1)								
Transfer to Government Grant Reserve	1	317,834	798,900	554,240	554,240	961,481	1,024,946	1,258,309
Depreciation off-sets	2	(353,582)	(373,331)	(373,331)	(373,331)	(408,143)	(445,583)	(490,189)
Transfers To/From Other Reserves		(101,005)	724,889	719,077	719,077	227,599	236,703	246,172
Transfer to CRR						390,302	354,000	495,261
(SURPLUS)/DEFICIT after reserves		-	-	-	-	-	-	-

Notes

1. Surplus includes capital government grants which are appropriated to the capital expenditure budget.
2. Includes depreciation charges for externally funded assets offset by transfer from reserve accounts.

Total operating expenditure has increased by 23,19% against the 2007/08 adjustment budget and by 26,97% against the 2007/08 approved budget.

It can be deduced from the above table that the operating expenditure equates to R11,4 billion in the 2008/09 financial year and escalates to R13,3 billion in the 2010/11 financial year, a growth of 16,32%

A further analysis of the operating expenditure as contained in the above table will be discussed per main expenditure classification:

- **Remuneration**

The Finance Department entered into consultation with the Executive Director: Human Resources to discuss the affordability of the proposed remuneration budget subsequent to the compilation of the personnel cost plan (PCP) aligned to the Alternative Service Delivery structure. The reason for the session was to consider the proposed budget in terms of affordability, as the budget requirement was totally unaffordable for the CoT.

The outcome of this meeting was that the Human Resource Division was of the opinion that various duplications occurred with the compilation of the personnel cost plan (PCP), and that it would be necessary to review the plan in consultation with the respective strategic executive directors and the Alternative Service Delivery Task Team.

The above mentioned process resulted in an amended personnel cost plan for the CoT, which equates to R3,2 billion for the 2008/09 financial year. When compared to the 2007/08 Adjustments Budget of R2,72 billion, it is an escalation of R504 million (18,49%). Salary increases (8,3%) have also been considered within the proposed budget for remuneration.

This remuneration budget also includes the further expansion of the Metropolitan Police Service by an additional 350 members, of which the appointment process was finalised in January 2008 as well as an additional allocation of R35 million for the further role-out of the Safer City Policy.

- **Remuneration of Councillors**

The cost associated with the remuneration of councillors is determined and informed directly by way of the Remuneration of Public Office Bearers Act 1998 (Act No 20 of 1998).

- **Bad Debts**

Provision for bad debt and bad debt write-off is aligned to the various policies of the CoT.

- **Collection Costs**

Collection costs relates to the cost associated and incurred by the CoT in ensuring revenue billed is collected. The current proposed budget equates to R70,2 million, a growth of R17,1 million when compared to the 2007/08 Adjustment Budget appropriation. The increase is aligned to the debt collection strategy of the CoT

- **Depreciation**

The escalation in depreciation can be attributed to the aggressive capital programme. From the above table it can be summarised that depreciation escalates from R832,5 million in 2008/09 to R1,069 billion in 2010/11, a growth of 27,8%.

- **Repairs and maintenance**

During the departmental budget hearings it became clear that departments were more and more starting to place emphasis on the repairs and maintenance expenditure component. Aligned to the best practice methodology of preserving and maintaining current infrastructure, this expenditure framework has essentially catered for extensive growth in this area aligned to the asset renewal strategy of CoT. When compared to the 2007/08 Adjustments Budget, the repairs and maintenance group of expenditure has increased by 27,18% from R1,111 billion to R1,413 billion, and steadily increases to R1,622 billion in the 2010/11 financial year, an increase of 14,79%.

The following are highlights of the increased repairs and maintenance:

Strategic Unit	Real Increase R'000	Motivation for increase
Office of the EM & CM	4,106	Relates to information management infrastrucutre
Financial Services	3,874	Repairs and maintenance to cashier points
Corporate & Shared Services	48,925	Increase relates to Buildings (Rebuilding of Tshwane Head Office)
Economic Development	4,302	Relates to Vehicle (Busses)
Health and Social	3,204	R&M in terms of fire fighting equipment
Sports and Recreation	21,356	Increas relates to the maintenance of sport and recreational facilities
Agriculture and Environmental	11,230	Repairs and maintenance to Fresh Produce Market
Public Works	151,881	Repairs and maintenance to infrastructure

The following table is a summary of the repairs and maintenance related expenditure as a percentage of the total operating expenditure:

CITY OF TSHWANE - REPAIRS AND MAINTENANCE COMPARE TO TOTAL PROPERTY, PLANT & EQUIPMENT							
Description	Preceding year 2006/07	Current year 2007/08			2008/09 Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000	Approved Budget R'000	Adjusted Budget R'000	Full Year Forecast R'000	Budget Year 2008/09	Budget Year +1 2009/10	Budget Year +2 2010/11
A = Total Repairs & Maintenance	1,325,086	1,096,958	1,111,117	1,111,117	1,413,138	1,511,763	1,622,778
B = Total Operating Expenditure	8,741,209	9,056,301	9,334,433	9,334,443	11,499,385	12,445,907	13,375,646
A ÷ B %	15.16%	12.11%	11.90%	11.90%	12.29%	12.15%	12.13%

From the above it can be seen that the percentage repairs and maintenance measured against the total operating budget equates to 12,29% in the 2008/09 year and maintains this level throughout the medium-term. It can further be deduced that the CoT is well within the average provision of repairs and maintenance and confirms the asset renewal strategy as modelled into the Long-term Financial Strategy.

- **Interest Paid**

The increase in interest paid can be directly attributed to the level of external loans raised. The indicative borrowing levels as factored into the Long-term Financial Strategy is R354 million, R440 million and R483 million in the three respective financial years. Historic borrowing as well as intended borrowing directly influences the budget provisions.

- **Bulk Purchases**

Bulk purchases and the growth is aligned to the revenue generation potential and takes into consideration the growth in the City as well as seasonal factors. This group of expenditure comprises mainly of the purchase of electricity from Eskom as well as water from Rand Water.

- **Grants and Subsidies Paid**

The funding budgeted against this classification relates mainly to the grants-in-aid to NGO's.

- **General Expenditure**

General expenditure comprises of municipal rates and services, administrative and general related expenditure as well as raw and consumption material. The increase of R930 million (R2,388 billion in the 2007/08 Adjustments Budget versus R3,319 billion in the 2008/09 MTREF) can be directly attributed to general increases in the economy (e.g. telephones and data services, paper and stationery, consumables, fuel etc) although a major emphasis has been placed on managing these expenditure levels downwards. The purchase of coal for own power generation (electricity at the power stations) has contributed to the increase (R106,5 million in 2007/08 to R174,7 million in 2008/09) as well as other initiatives such as increased watchmen services (security services) at the clinics and other depots. It needs to be noted that the difference of R715,5 million between the figure mentioned above (R2,388 billion) and the figure included in the statement of financial performance (R3,319 billion) is directly related to the revenue forgone as explained in the revenue portion of the report.

A further intensive analysis of performance trends related to departmental expenditure was undertaken by the Budget Office in consultation with the respective strategic units subsequent to the departmental budget hearings. This process was aimed at identifying operational capacity within the context of improved service delivery and efficiency. In many instances, these interventions and management strategies resulted in reductions at line-item level which have been redirected to other areas of priority. In addition, strategic units were informed without detail motivations relating various items e.g. consultant fees, special projects, special events etc, no consideration would be given to the inclusion of budget appropriations. Strategic units submitted

the required motivations and the resultant inclusion based on the validity of the motivations was included in the detail operating budget.

Some of the salient features, funding priorities and best practice methodologies relating to the expenditure framework include, inter alia:

- Asset renewal strategy (infrastructure repairs and maintenance a priority), R300 million increase
- Balanced budget constraint (expenditure cannot exceed revenue)
- Capital programme aligned to asset renewal strategy and backlog eradication
- Operational gains and efficiencies resulting in additional funding capacity on the capital programme as well as redirection of funding to other critical areas
- Strict principle of no project plan (business plan) no budget allocation (funding allocation)
- Expansion of the Metropolitan Police Service by 350 members (appointment 1 January 2008, of which the full funding implication has been factored into the 2008/09 MTREF)
- Increased allocations towards the Electricity Division, of which a major priority is the power stations and refurbishment thereof
- Consideration of the Alternative Service Delivery Structure with the compilation of the remuneration budget
- An allocation of R30 million towards SMME development of which the Economic Development Department need to compile a policy and implementation framework
- Indigent support programme, R25 million
- Celebrating Tshwane as the African Capital City of Excellence, R10 million
- Smart and innovative City Programme, R15 million
- Customer focus and Batho Pele, R15 million
- Economic investment and lead projects, R494 million
- Further role-out of the transport service (bus service) by an additional 100 busses

Basic Social Package

The social package assists residents that cannot pay for services and is registered as indigent, in terms of the Indigent policy.

Service	Proposed package available to registered indigent household	Estimated revenue loss (90 000 indigent households)
		R'million
Water	12kℓ	59,5
Electricity	100 KWh	52,5
Sanitation	6kℓ	17,7
Total		129,7

The number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes) are not taken into account in the table above.

Furthermore, owing to the implementation of the MPRA and the process of registration (anticipated to be finalised by June 2008), information regarding the value of the properties of the registered indigent is not available. It is estimated that approximately R41 million revenue will be foregone in this regard for the 2008/09 financial year.

The cost (revenue forgone) of the social package of the registered indigent is off-set by the equitable share received in terms of the DoRA.

4.5 CAPITAL BUDGET

Similarly to the approach followed with the compilation of the operating budget, budget guidelines relating to the compilation of the 2008/09 Medium-term Capital Budget were compiled in consultation with the IDP Office of which the guiding principle was the approved 2007/08 MTREF, and more specifically the 2007/08 Adjustments Budget. Departments were urged to carefully consider not only affordability constraints, but the detail projects as approved in the previous cycle aligned to the departmental business plans, objectives and targets of the CoT

During the departmental budget hearings (5 to 12 February 2008) the detail capital projects were extensively analysed. Concerns were raised relating to affordability and subsequently departments were requested to prioritize funding allocations within the context of affordability constraints (council funded projects). In addition to these hearings, the promulgation of the 2008 Division of Revenue Act created capacity related to specific initiatives, e.g. 2010 transport related projects. This necessitated a further review of the capital budget aligned to funding allocations and more specifically the principle of no project (business plan) no budget.

Furthermore, issues relating to projects that's core intention is the establishment of CoT buildings and facilities were raised with by various strategic units, e.g. metropolitan police stations, libraries, cashier points. The issues raised include, amongst others, the fact that the strategic units determine and motivate the project, but ultimately the Corporate and Shared Services Department is responsible for the initial cost calculations, project design, tender specifications, project implementation and management. Once completed, the building or facility is transferred to the relevant strategic unit. Although the relevant strategic unit is involved in determining specifications, accountability of the project and subsequent performance reporting is very much dependant on progress made by the Corporate and Shared Services Department.

To this end, it was proposed that all projects, of which core intention is the establishment of CoT facilities and buildings be allocated in the Medium-term Capital Budget to the Corporate and Shared Services Department. It needs to be noted that the proposal could not be implemented with the finalization of the 2008/09 MTREF owing to the fact that various issues need to be clarified to ensure that the implementation of the current capital projects are not impeded, e.g. accountability, cost centre owners, system configuration in SAP, interest and depreciation, asset classification, impact on reporting etc.

It is therefore proposed that the Corporate and Shared Services Department undertake an investigation into this proposal and compile a report for submission in August 2008 to the Mayoral Committee for consideration and implementation (1 July 2009) relating to the viability and management structure of the takeover.

The compilation of the capital budget in terms of internal capacity (council funds)/affordability was based on the project submissions as received from the departments after they had reprioritised funding allocations. This increased funding requirement had to be modelled in context of the LTFS to attain whether the requested funding requirements could be funded within a sustainable approach.

The following table indicates the breakdown per funding source and Strategic Unit budget allocation (vote / program level) of the 2008/09 Medium-term Capital Budget:

Table 4.5(a)

2008/09 MEDIUM-TERM CAPITAL BUDGET PER FUNDING SOURCE & SECTION 80 COMMITTEE

FUNDING SOURCE	Budget 2008/09	%	Budget 2009/10	%	Budget 2010/11	%
Council Funding	2 138 968 400	67,65%	1 957 217 100	64,87%	1 995 189 050	60,67%
PTIS	501 654 000	15,87%	521 895 000	17,30%	804 180 000	24,45%
Provincial Grants and Subsidies	26 070 000	0,82%	12 801 000	0,42%	18 394 000	0,56%
Government Housing	84 321 988	2,67%	84 321 988	2,79%	84 321 988	2,56%
MIG	288 935 000	9,14%	325 102 000	10,77%	266 413 000	8,10%
National Electrification Programme	60 500 000	1,91%	80 826 000	2,68%	85 000 000	2,58%
Capital Replacement Reserve	61 315 790	1,94%	35 150 000	1,16%	35 350 000	1,07%
TOTAL CAPITAL FUNDING	3 161 765 178	100,00%	3 017 313 088	100,00%	3 288 848 038	100,00%
Agriculture & Environmental Management	81 578 000	2,58%	85 500 000	2,83%	75 900 000	2,31%
City Planning & Regional Services	16 070 000	0,51%	13 301 000	0,44%	18 894 000	0,57%
Community Safety	63 374 294	2,00%	83 000 000	2,75%	45 400 000	1,38%
Corporate and Shared Services	112 633 597	3,56%	91 900 000	3,05%	82 900 000	2,52%
Economic Development	47 876 238	1,51%	42 307 000	1,40%	32 850 000	1,00%
Financial Services	18 421 884	0,58%	15 000 000	0,50%	15 000 000	0,46%
Health & Social Development	32 959 371	1,04%	17 000 000	0,56%	75 877 000	2,31%
Housing Services	245 334 988	7,76%	260 234 988	8,62%	265 234 988	8,06%
Office of the Executive Mayor & City Manager	528 201	0,02%	0	0,00%	0	0,00%
Public Works	2 350 635 605	74,35%	2 302 937 100	76,32%	2 638 792 050	80,23%
- Electricity	442 790 065		478 483 000		442 020 000	
- Roads and Stormwater	582 157 240		483 872 000		403 258 000	
- Transport	552 446 600		515 224 100		832 759 050	
- Water & Sanitation	773 241 700		825 358 000		960 755 000	
Sport & Recreation	192 353 000	6,08%	106 133 000	3,52%	38 000 000	1,16%
TOTAL CAPITAL EXPENDITURE	3 161 765 178	100,00%	3 017 313 088	100,00%	3 288 848 038	100,00%

Note: Cognisance needs to be taken of the fact that the impact of the Munitoria PPP capitalisation project has not been factored into the above table relating to year 2 (2009/10 financial year). This implication has however been factored into the LTFS from a Statement of Financial Position perspective.

From the above table it can be seen that the total capital budget equates to R3,1 billion in the 2008/09 financial year and escalates to R3,2 billion in the 2010/11 financial year. The affordability level in terms of internal funding for the 2008/09, 2009/10 and 2010/11 financial years is R2,138 billion, R1,957 billion and R1,995 billion respectively.

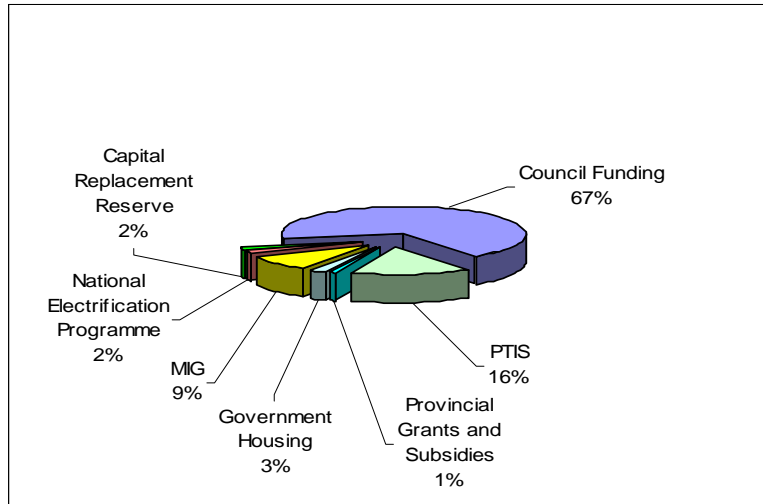
It needs to be noted that the capital budget funding proposals have been considered (modelled) within the context of the LTFS to ensure continued affordability and sustainability for the CoT, and includes the fact that the borrowing levels is indicative of R822 million, R450 million and R400 million for each of the respective years.

From the above it can be seen that the capital budget has essentially escalated owing directly to the increased capacity on own funds (internal funding) and the promulgation of the 2008 Division of Revenue Act which included various increases in the funding allocations towards the CoT.

Furthermore, to address the priority issues of the CoT (eradication of backlogs e.g. water provision aligned to national targets) the level of council funding (borrowed and surpluses) has essentially been raised to ensure alignment and targets are met within the national and provincial deadlines.

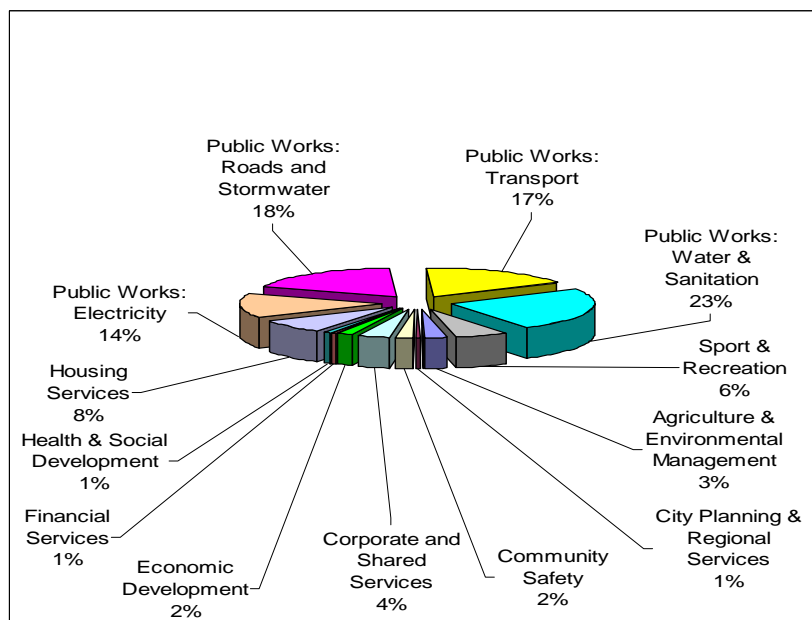
The following graphs illustrate the above table in terms of funding source breakdown and capital budget allocation per Strategic Unit:

2008/09 Medium-term Capital Budget in terms of funding source:



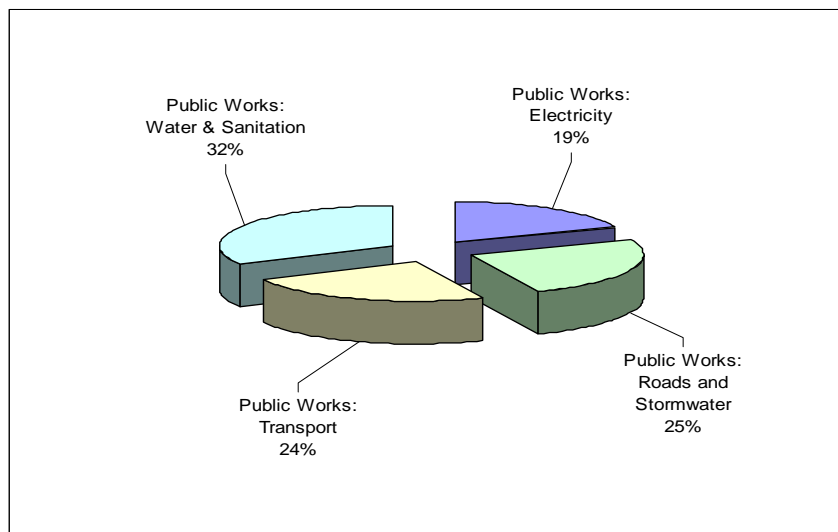
Council funded projects equates to 67,0% of the total 2008/09 capital programme compared to 64,8% and 60,6% in the two outer years. This can be attributed to the increase in grant funding related to transport related infrastructure.

2008/09 Medium-term Capital Budget per Strategic Unit:



In terms of infrastructure development, more than 74,3% of the capital budget has been allocated specifically for this purpose with the exclusion of housing in the 2008/09 financial year.

The following graph illustrates the percentage funding breakdown of the Public Works Department:



The following table is a breakdown of the capital budget per strategic focus area:

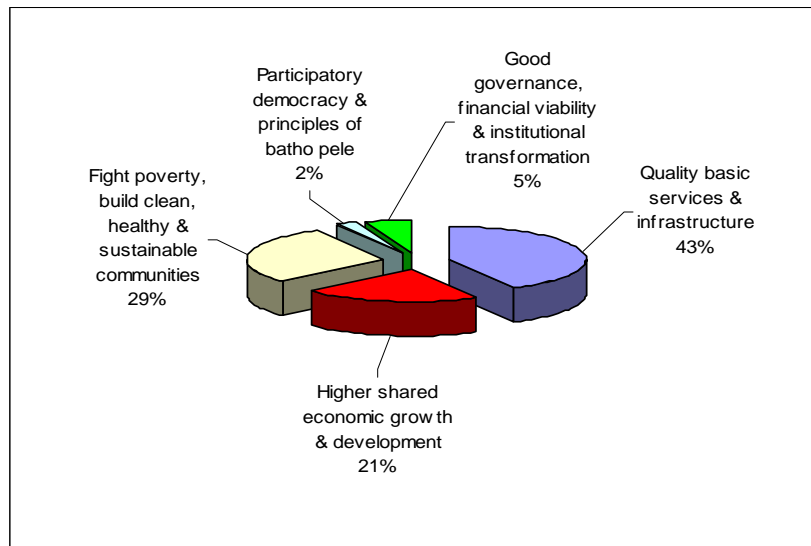
Table 4.5(b)

Strategic Objective	Budget 2008/09	%	Budget 2009/10	%	Budget 2010/11	%
1. Quality basic services & infrastructure	1 332 080 073	42%	1 510 165 088	50%	1 906 051 198	58%
2. Higher shared economic growth & development	659 677 265	21%	400 550 588	13%	279 723 498	9%
3. Fight poverty, build clean, healthy & sustainable communities	919 345 363	29%	874 366 618	29%	893 622 548	27%
4. Participatory democracy & principles of batho pele	77 524 398	2%	73 076 398	2%	61 786 398	2%
5. Good governance, financial viability & institutional transformation	173 138 080	5%	159 154 398	5%	147 664 398	4%
Total Capital Budget	3 161 765 178	100%	3 017 313 088	100%	3 288 848 038	100%

From the above it can be seen that 42% (R1,332 billion) of the budget has been allocated to strategic focus area 1 (quality basic services and infrastructure) in the 2008/09 financial year, and escalates to 58% (R1,906 billion) in 2010/11.

In terms of accelerating higher and shared economic growth and development in the City, 21% (R659 million) has been earmarked for the 2008/09 financial year. R919 million is specifically aligned to fighting poverty, building clean, healthy and safe communities. The balance of the funding allocations have been prioritised in terms of participatory democracy and fostering the principles of Batho Pele as well as ensuring good governance, financial viability and institutional transformation and makes up the balance of 7%.

The above table is graphically illustrated as follows:



The following table is a breakdown of the 2008/09 Medium-term Capital Budget per main infrastructure classification:

Table 4.5(c)

Categories	Budget 2008/09	Budget 2009/10	Budget 2010/11
Parks	14 000 000	14 700 000	14 900 000
Equipment	181 800 000	187 200 000	144 100 000
Cemetaries	7 000 000	13 500 000	0
Resorts	36 200 000	40 000 000	39 000 000
Waste Mangement	20 215 000	16 200 000	19 000 000
Other	92 015 790	60 900 000	77 400 000
Buildings	153 135 000	177 958 000	174 714 000
Roads	415 626 250	313 907 000	254 333 000
Clinics	21 500 000	4 000 000	58 557 000
Housing	223 234 988	228 234 988	223 234 988
Electricity	363 058 000	392 758 000	405 045 000
Stormwater	127 008 750	151 690 000	108 000 000
Sport	546 707 000	554 028 000	813 180 000
Transport	197 397 600	44 604 100	18 604 050
Sewerage	125 776 800	236 300 000	450 300 000
Water	637 090 000	581 333 000	488 480 000
TOTAL	3 161 765 178	3 017 313 088	3 288 848 038

In terms of the 2008 Division of Revenue Act, various additional infrastructure related grants have been gazetted for Tshwane which have been incorporated into the capital budget. These additional allocations are specifically intended to address infrastructure requirements relating to the 2010 SWC. Firstly, in terms of the Public Transport Infrastructure and Systems Grant (PTIS), an amount of R510 million, R565 million and R864 million has been gazetted as transfers to the CoT. For stadium development (Loftus Versveld) an amount of R76,6 million has been made available for 2009/10 and 2010/11. Cognizance needs to be taken of the fact that the stadium grant has not been included in the capital budget as Loftus Versveld does not form part of the asset base of the City. This funding will be included in the operational budget of the City to be managed and monitored by the Chief Executive Officer: 2010 SWC as the CoT is the custodian of the funding.

It should be noted that in principle no project that is funded from external sources is included in the MTREF without written confirmation from the 3rd party. However, in the case of the

Government Housing Grants it is imperative that the projects be included in the MTREF based on information received from National Government, Gauteng Provincial Government and the North West Province as written confirmation is only received after the approval of the CoT budget. Should the projects not be included in the MTREF, and written confirmation is received timeously, subsequent to budget approval, the execution of the projects could be hampered as the projects can then only be included in the MTREF during the adjustments budget process. When the projects are included in the MTREF and written confirmation is received the projects can be implemented immediately subject to the availability of committed funding. Any variance (over or under provision) could be corrected during the Adjustments Budget process. Cognisance needs to be taken that the current included grant funding is indicative of the commitment from Provincial Government for the 2008/09 MTREF.

The following projects have been included in the 2008/09 Medium-term Capital Budget relating to the 2010 SWC:

Table 4.5(d)

Strategic Unit	Project Name	Project Number	Budget 2008/09	Budget 2009/10	Budget 2010/11
Agriculture & Environmental Management	Self Catering Chalets at Rietvlei Nature Reserve	710445	3 000 000	3 000 000	3 000 000
Community Safety	Equipping of current Disaster Operations Centre	711922	2 500 000	4 000 000	3 500 000
Community Safety	Disaster Risk Management Tools and Equipment	712587	0	500 000	600 000
Community Safety	Acquisition of Fully Equipped Mobile Joint Incident Coordination Unit	712588	7 000 000	0	300 000
Community Safety	Acquisition: Fire Fighting Vehicles	710564	10 000 000	5 000 000	7 500 000
Community Safety	The Establishment of Network Infrastructure (IT and CCTV)	712345	4 000 000	4 000 000	0
Community Safety	Upgrading Control Room/Ops Room CCTV Control Room (Phase 1)	712348	7 000 000	3 500 000	0
Community Safety	Purchasing of Policing Equipment for the 2010 World Soccer Cup	712500	8 000 000	20 000 000	0
Economic Development	Marketing & Trading Stalls - Ga-Rankuwa	712298	2 000 000	2 000 000	2 000 000
Economic Development	Mamelodi Rondavels	710582	1 000 000	1 000 000	1 000 000
Economic Development	Tourism Signage	710579	3 000 000	3 000 000	0
Economic Development	Hop on Hop off Bus	710580	2 500 000	2 700 000	0
Economic Development	Tourism Information Office	710586	1 000 000	2 500 000	3 000 000
Economic Development	Arts & Craft Exhibition Stalls	710587	6 150 000	9 457 000	5 000 000
Public Works	Loftus: Upgrading of Charles Street	712537	42 000 000	40 000 000	0
Public Works	Hatfield: Upgrading of Pretorius Str	712538	9 600 000	0	0
Public Works	Hatfield : Upgrading of Schoeman Str	712539	14 600 000	0	0
Public Works	Hatfield: Upgrading of Duncan/Gordon	712540	18 400 000	0	0
Public Works	Hatfield One Way System	712541	22 000 000	0	0
Public Works	Upgrading of Maunde	712544	2 000 000	0	0
Public Works	Upgrading of Maunde	712544	17 800 000	0	0
Public Works	Giant Stadium: Buitekant Str	712545	2 000 000	0	0
Public Works	Giant Stadium: Buitekant Str	712545	10 000 000	0	0
Public Works	Wonderboom Airport Access: Lindveldt Avn	712546	9 000 000	0	0
Public Works	K69 Between Waterkloof Air Force Base & R21	712547	8 700 000	9 000 000	0
Public Works	Rainbow Junction/Pta North Public Transport: 2010	712382	0	2 971 200	3 385 200
Public Works	Public Transport Facility (Loftus Versveld Stadium 2010SWC)	712589	15 000 000	35 000 000	0
Public Works	Training Venues (2010SWC)	712590	9 000 000	21 000 000	0
Public Works	CBD and Surrounding Areas (2010SWC) HOV / BRT Lanes on Corridors to North and Hatfield	712591	321 554 000	406 895 000	804 180 000
Public Works	Development of Main Station Node as Regional Transport Hub	712748	4 000 000	10 000 000	0
Public Works	Electronic Ticketing System (Bus Service)	712593	2 908 000	0	0
Public Works	Separation Airside/Landside movements	711953	6 500 000	0	0
Public Works	Replacement of weather system	712562	10 000 000	0	0
Public Works	Arrivals and departure halls	712563	5 000 000	0	0
Public Works	Porte Courche for SMME development	712564	1 500 000	0	0
Public Works	Drop off facility	712565	350 000	0	0
Public Works	Aircraft parking facility in maintenance area	712567	5 000 000	0	0
Public Works	Construction of holding bays	712570	10 000 000	0	0
Public Works	Electrical reticulation upgrade	712571	500 000	0	0
Public Works	Water reticulation phase 2	712572	750 000	0	0
Public Works	Upgrade stormwater system phase 2	712573	1 000 000	0	0
Public Works	Upgrade sewerage network phase 2	712574	1 000 000	0	0
Public Works	Purchase new emergency vehicles	712575	10 000 000	0	0
Public Works	Purchase ground handling equipment	712576	5 000 000	0	0
Public Works	Construct new aircraft parking aprons	712577	100 900 000	0	0
Public Works	Construct public transport and parking facility	712579	3 000 000	0	0
Sport & Recreation	Upgrading of the Soshanguve Giant Stadium	710690	148 653 000	35 133 000	0
Sport & Recreation	Upgrading of the Soshanguve Giant Stadium	710690	8 000 000	40 000 000	0
Sport & Recreation	Atteridgeville Super Stadium	710713	10 000 000	0	0
Sport & Recreation	Atteridgeville Super Stadium	710713	14 000 000	0	0
Sport & Recreation	Solomon Mahlangu Freedom Square - Cultural Centre	711439	0	4 000 000	6 000 000
Sport & Recreation	Hammanskraal Cultural Centre	712397	0	3 000 000	7 000 000
Total			906 865 000	667 656 200	846 465 200

The total allocation towards the 2010 SWC equates to R906,8 million, R667,6 million and R846,4 million in the respective financial years (various funding sources). Cognisance also needs to be taken of the fact that although the abovementioned does relate to the 2010 SWC and will contribute to the successfully hosting of the event by CoT, the projects listed form part of the broader planning framework and objectives of the City. This is to ensure that funding allocations are not solely informed by the 2010 SWC, but are sustainable post 2010 and ensure the objectives of the CoT are attained. In addition to the abovementioned, an amount of R160,5 million has been approved for the 2008/09 financial year for infrastructure upgrading at Wonderboom Airport.

In addition to the project proposals as contained in the 2008/09 Medium-term Capital Budget, a further initiative currently underway in the City relates to the Neighbourhood Development Partnership Grant. In terms of the Neighbourhood Development Partnership Grant, an amount of R7 million, R12,8 million and R18,3 million have been gazetted in the 2008 Division of Revenue Bill for the 2008/09, 2009/10 and 2010/11 financial years respectively. The successful project is the Tsosoloso/ReKgabisa which is in alignment with the NDPG goals in many ways.

With the compilation of the Draft 2008/09 Medium-term Capital programme, the principle of no project (business) plan was strictly implemented. This resulted in the exclusion of 178 projects totalling R1,6 billion, R1,9 billion and R2,4 billion in the 2008/09, 2009/10 and 2010/11 financial years respectively. Subsequent to the tabling on the Draft 2008/09 MTREF at Council (31 March 2008) the relevant strategic units were informed that the principle of no project plan no capital budget allocation would strictly be applied with the finalisation of the MTREF. This resulted in a majority of the plans being received and budget provisions included in the detail capital budget.

Furthermore, the budgeting principle of no capital project allocations to the Office of the Executive Mayor and City Manager has strictly been adhered to, with the exception of project 712758 (Capital funded from operating). With the compilation of the 2007/08 MTREF the capitalisation threshold was set at R100 000.

Essentially, any individual capital item with a value under a R100 000 was budgeted against non-capital items (Raw and consumption materials group of expenditure) and expensed in the operating budget. The asset then formed part of the inventory register of the particular department. The Auditor General raised concern relating to the threshold level, and this level was subsequently reduced to R10 000 per item. The implication is that any item above R10 000 but below R100 000 has been moved to the capital budget and financed from operating funds. Hence the inclusion of the above mentioned project should not be considered a traditional capital project as it is financed by operating funds.

The achievement of a total capital budget in excess of R3 billion for the first time can be considered a key milestone, and clearly illustrates the commitment of the CoT in ensuring that the organisation strives at providing a better life for all its residents.

4.6 COMMUNITY CONSULTATION PROCESS

Section 22 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) stipulates that immediately after an annual budget is tabled in a municipal council the accounting officer must make public the annual budget and documents; invite the local community to submit representations in connection with the budget; and submit the annual budget to the National Treasury and the relevant provincial treasury in printed and electronic formats.

Section 23(2) of the MFMA stipulates further that "after considering all budget submissions, the Council must give the Executive Mayor an opportunity –

- (a) to respond to the submissions; and

(b) If necessary, to revise the budget and table amendments for consideration by the council”.

As indicated previously, the tabling of the draft budget in Council was followed by publication of the budget documentation, and various ward committee consultative meetings were held to receive submissions from stakeholder's formations.

The following section provides an overview of the consultation and community consultation activities.

- **Publication of draft budget:** The draft budget report (hard copy) was made available at all the municipal customer care offices and the draft document was made available on the CoT's website.
- **Ward committee/business meetings:** Nine zonal meetings which included all 76 wards in the CoT were held from 1 to 23 April 2008 at various community venues. Further community consultation meetings were scheduled from 8 to 15 May 2008.
- **Electronic:** The tabled budget document was published on www.tshwane.gov.za.

This is the fifth time that the municipality has embarked on such a community consultation drive. During the process approximately 700 people participated.

The agenda relating to the above mentioned sessions was as follows:

- Consult on PMRA and the draft Property Rates Policy and By-Laws and the implications thereof
- Consult on the Draft 2008/09 MTREF
 - Revenue framework and proposed tariff increases
 - Expenditure framework in terms of operating expenditure and proposed capital expenditure
- Obtain comments and inputs from the community

Inputs and comments received during these sessions have been summarized as follows:

- MPRA and draft Property Rates Policy and By-laws
 - General impact of the new valuation roll and tariff proposals
 - Impact on schools
 - Impact on agricultural holdings
 - Pensioners and issues relating to pensioner rebates
 - Non-permitted land use and interventions required to address the issue
- Concern relating to infrastructure development and the slow pace/performance
- Economic development, job creation and general SMME issues
- Concern relating to repairs and maintenance
- Electricity reticulation, load shedding and the power stations
- Security at public facilities
- Transportation and the bus service
- Crime prevention

Further details of the activities in terms of the consultation process are covered in the 2007/08 MTREF Document.

4.7 CONCLUSION

The application of sound financial management principles for the compilation of a financial plan should be considered an ongoing process by which the essential and critical refinement of the integration of the City Development Strategy, IDP and Budget is ultimately achieved.

The financial planning imperatives as embedded in the Long-Term Financial Strategy will contribute to ensuring that the Municipality remains financially viable and that municipal services are provided economically to all communities.

The public participation and consultation process, of which this report forms the departure point, will strengthen the principles of people-centred governance, transparency and accountability within the City of Tshwane.

Although the City in its entirety faces many challenges, financial and non-financial of nature, the continued improvement and development of an effective financial planning process (budget process) will, without a doubt add to the building of a prosperous City for all residents.

The 2008/09 Medium-Term Revenue and Expenditure Framework contains realistic and credible revenue and expenditure proposals which should provide a sound basis for improved financial management and institutional development as well as service delivery improvement and implementation.

In conclusion, the 2008/09 Medium-term Revenue and Expenditure Framework can also be seen as further alignment to the imperatives and objectives of the Five-year Integrated Development Plan, driven by the City Development Strategy and broader context of national and provincial priorities.

CHAPTER 5: PERFORMANCE MANAGEMENT SYSTEM

5.1 INTRODUCTION

The purpose of this Chapter is to reflect the status quo of the City of Tshwane Metropolitan Municipality (CoT's) Performance Management System.

5.2 BACKGROUND

Chapter 6 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), requires local government to:

- Develop a performance management system.
- Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan (IDP).
- Publish an annual report on performance management for the councillors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for local government.
- Conduct an internal audit on performance before tabling the report.
- Have the annual performance report audited by the Auditor-General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

5.3 OVERVIEW OF POLICIES GUIDING PERFORMANCE MANAGEMENT IN THE COT

POLICY FRAMEWORK

On 28 August 2003¹, the Council adopted a Performance Management Framework regulating the Performance management system in the municipality. The Framework provides guidelines on the development and implementation of the organizational and individual performance management system. The framework provides the following guidelines on organizational performance management:

Planning for Performance Management

In planning for performance management and in the process of reviewing our policy, we have aimed to ensure that our system complies with all the requirements set out in the Act. Amongst others we are aiming to ensure that we:

- Show how we are going to *operate and manage the system from the **planning stage up to the stages of performance review and reporting***;
- Indicate how our various stakeholders and role-players including the community will be included in the implementation and functioning of the system;
- clarify how we will implement the system within the framework of the integrated development planning (IDP) process, including any procedures to be followed;
- Address the matter of how often we will report and to whom; and
- Link the performance management system to how we manage the performance of our employees.

¹ This policy framework is currently under review

We have integrated seamlessly the IDP and the performance management processes. Through the IDP we plan for performance management, and through performance management we manage, monitor and evaluate the achievement of the IDP.

Priority Setting

Through community consultation and the consultation of other key stakeholders, the IDP process helps to define:

- What the delivery priorities and objectives are. We have aimed to ensure that the objectives are clear, tangible and measurable;
- What transformational initiatives will be undertaken by the institution and how;
- Which projects will be implemented to achieve the delivery priorities and objectives;
- What financial resources will be used to realize the priorities.
- How we will measure the achievement of the objectives through clear indicators. Many of the key performance indicators are prescribed in section 43 of the MSA and must therefore be included in our IDP. They include:
 - The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.
 - The percentage of households earning less than R1100 per month with access to free basic services.
 - The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.
 - The number of jobs created through municipality's local economic development initiatives including capital projects.
 - The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.
 - The percentage of a municipality's budget actually spent on implementing its workplace skills plan.
 - Financial viability which looks at debt coverage, outstanding debtors to service revenue, and cost coverage. Each of these areas are expressed by ratios as follows:

Area of financial viability	What it means	Formula we must report against	What does the formula mean?	What the implications are for the City
Debt coverage	How much of money we owe can we pay back, such as loans.	$A = B - C$ D	"A" = debt coverage "B" = total operating revenue received "C" = operating grants "D" = debt service payments (i.e. interest redemption) due within the financial year;	If A is lower than we planned, then it means that we do not have funds to pay loans.
Outstanding service debtors to revenue	How much of money is still owed by the community for water, electricity, waste removal and sanitation compared to how much of money we have	$A = B$ C	"A" = outstanding services debtors to revenue "B" = total outstanding service debtors "C" = annual revenue actually received for services	The less people who pay and the more people who owe impacts on whether we can buy more water for example to provide to the community.

Area of financial viability	What it means	Formula we must report against	What does the formula mean?	What the implications are for the City
	been paid for these services.			
Cost Coverage	How much of money is available to run the city	$A = B + C - D$	<p>"A" = cost coverage</p> <p>"B" = all available cash at a particular time</p> <p>"C" = investments</p> <p>"D" = monthly fixed operating expenditure</p>	If A is lower than we planned, it means that we do not have sufficient funds to run the city. If A is higher than planned, it could mean that we have more cash because we are collecting all owed to us, our investments are doing well, or that projects are not spending their funds.

The CoT reviews its key performance indicators annually as part of the performance review process referred to in regulation 13. This is initiated through the review of the IDP annually, and filters all the way through to the individual performance plans.

Setting Targets

We continuously aim to ensure that our targets comply with the Performance Management Regulations (Chapter 3, Regulation 12). Therefore the targets set in the IDP have to:

- Be practical and realistic;
- Measure how effective and efficient the CoT is, as well as what the impact we are making;
- Clearly indicate who (which department will deliver a target);
- Have corresponding resources, include the budget; and
- Relate to the priorities and objectives for development as in the IDP.

Performance monitoring

Performance monitoring is an ongoing process that runs parallel to the implementation of the approved IDP. Our policy is being reviewed to ensure that the framework :

- Identifies the roles of the different role players in monitoring and measuring the municipality's performance.
- Ensures that specific tasks are allocated to the gathering of data and submission of reports.
- Ensure that procedures are in place to collect, store, verify and analyze data and to produce reports.
- Provides for reporting to the municipal council at least twice a year.
- Is designed in a manner that enables the municipality to detect early under-performance (Organisational and employee [Human Resources] performance management).
- Provides for corrective measures where under-performance has been identified (Organisational and employee [Human Resources] performance management).
- Compares current performance with performance during the previous financial year and baseline indicators.

The Performance Measurement Framework

The Balanced Score Card Model was adopted as the model to be used in the City of Tshwane and is aimed to measure performance using four perspectives, i.e. customer, internal processes, financial, and learning and growth.

In the development of the current City 5-year Programme (5YP) we did not however, use the balanced scorecard methodology (which was approved for the performance management process) as point of departure for our planning process. We therefore do not have KPA's in the various perspectives of the balanced scorecard supporting the achievement of other strategic objectives, e.g. Good governance KPA's invariably link to other strategic objectives.

Conducting Performance Reviews

Performance review is a process where the organization, after measuring its own performance, assesses whether it is doing the right thing by:

- Analysing the information to see whether targets have been met and whether the future targets will be realized.
- Benchmarking to compare the performance of the City with other similar cities.
- Surveys to obtain feedback from the community about their views of the performance of the municipality.

The CoT has to date applied all methods in assessing its performance, and is continuously seeking ways to improve assessment of its performance.

Reporting on Performance

Reporting requires that the municipality takes the priorities of the organization, its performance objectives, indicators, targets, measurements and analysis, and present this information in a simple and accessible format, relevant and useful to the specific target group, for review. The Service Delivery and Budget Implementation Plan (SDBIP) is the basis for our reporting. Generally four reports are submitted per annum to Council.

Individual Performance

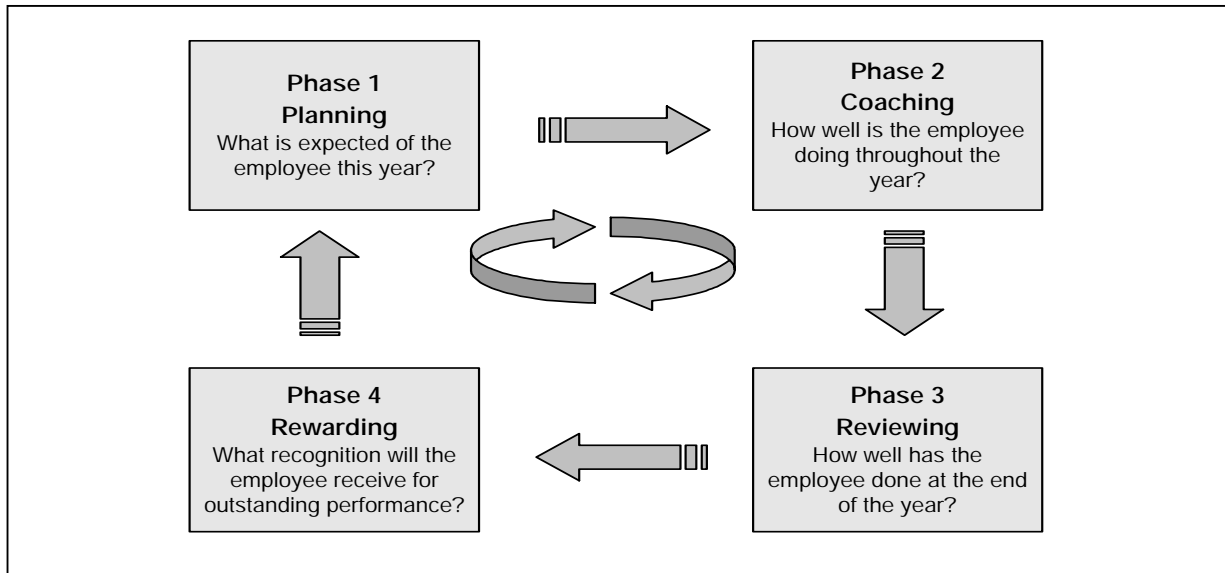
In order to ensure that the City of Tshwane meets and deliver on its City Scorecards KPA's and KPI's at a high standard, it was appropriate to introduce a performance management system for the individual employees within the City.

The link between organizational performance and individual performance is as follows:

Performance measurement rests on the following two pillars:

- The identification of the selected few strategic objectives/1st level strategic objectives (inclusive of the 7NKPI's) which summarises the performance of the whole organisation and which are the result of focused strategic planning. These objectives are captured in the top down design of the city score card.
- Individual performance measurement which provides the bottom up measurement data for the measurement of performance of 1st level strategic objectives.

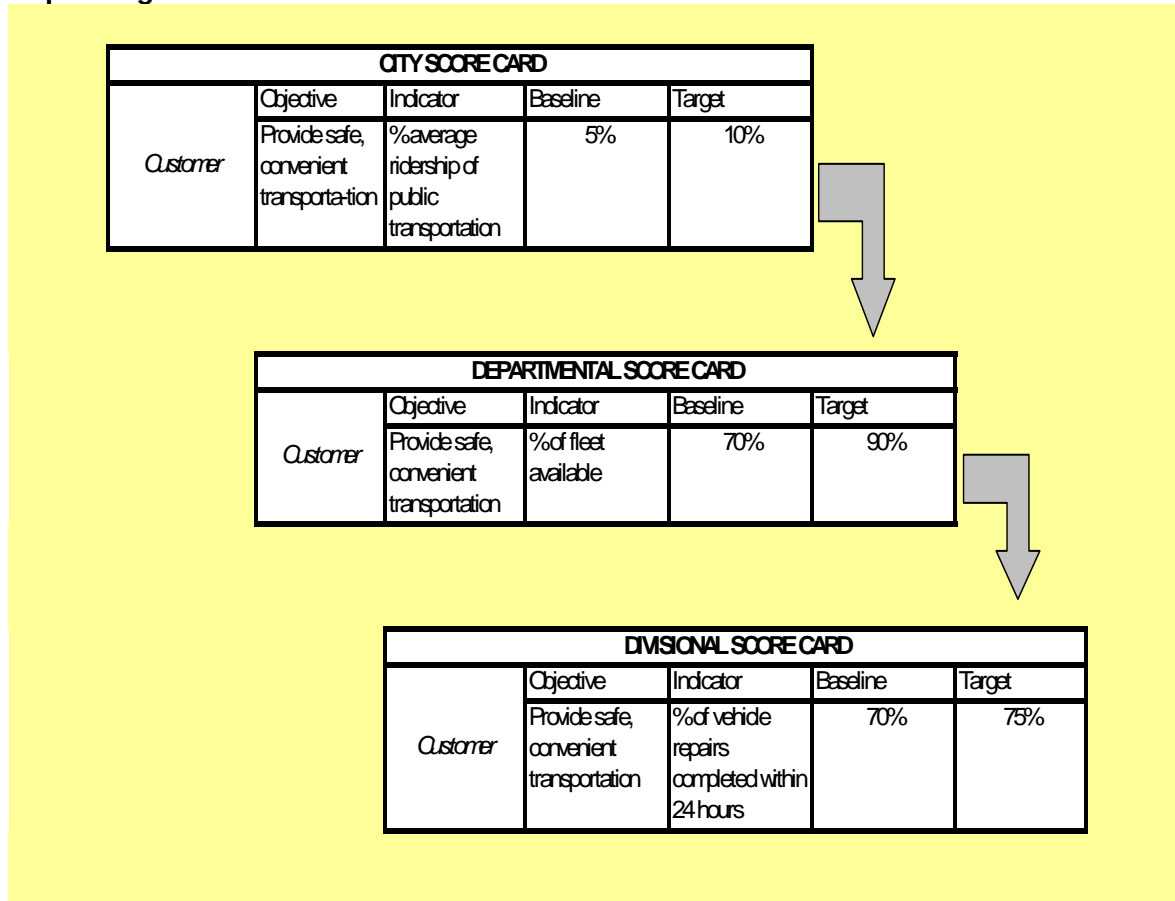
The employee performance management process within the COT involves four key phases (see diagram "Performance cycle" below). The first phase represents the performance agreement between the employee and the employer whilst the next two phases represent the actual performance throughout the year. The templates to be utilised to capture the information as well as additional documents are available as a performance pack. Detailed guidelines for the completion of the templates are provided to employees.

Diagram 5.1: Performance Cycle**PHASE 1 – PERFORMANCE PLANNING**

This is about jointly identifying individual performance expectations and gaining the employee's commitment in achieving these expectations. This also entails the identification of KPA's and indicators, the establishment of year-end targets and the planning for the phasing in of the year-end target into quarterly targets (cumulatively and quarterly).

Setting of KPA'S

The identified KPA's must be informed by the KPA's and indicators on the next higher level (see "Unpacking of indicators" for an example hereof).

Unpacking of indicators:

In a service rendering environment, e.g. local government, KPA's, which reflect the addressed needs of the community should be identified first and are also captured first in the score card. Hereafter internal KPA's which support the execution of the former KPA's should be identified. The three types of supportive internal KPA's are as follows:

- Internal business process KPA's, for e.g. "To develop a one integrated transaction process within three years with effect 01.07.2008"
- Financial KPA's, e.g. "To manage the remuneration budget down within reasonable limits within 5 years with effect 01.07.2008"
- Learning and growth KPA's, e.g. "To enhance capacity within 5 years with effect 01.07.2008"

Some generic KPA's and their concomitant indicators have been established. It is expected of Managers and Deputy Manager to include these KPA's (and their indicators) in the score cards.

Setting of appropriate key performance indicators (KPI's)

During the performance management process key performance indicators (KPI's) must be identified for each of the CKPA's. They are statements of measurement in terms of e.g. a percentage, a number, an index or any other recognisable unit. Indicators are used to indicate whether progress is being made in achieving the CKPA's. Indicators should be measurable, simple, precise, relevant, adequate and objective. The choice of an indicator must be guided by the availability of data for its measurement and the capacity to collect it.

Setting of measurable performance targets

Performance targets are the planned level of performance or the milestones an organisation sets for itself for each identified indicator – it is the desired level of service delivery for the current financial year or specified period.

Baseline measurements, which are the measurement of the chosen indicator at the start of the period, must be set. Baseline information defines the status quo. It is important to know how the organisation is performing at the current moment in order to determine, after a period of time, if any positive progress was made. This step also tests whether the chosen indicator is in fact measurable and whether there are any problems. The targets need to be realistic, measurable and be commensurate with available resources and capacity.

The setting of targets entails a two-way communication:

- Politicians need to give clear direction as to the importance of the target and how it will address the public need. Targets should be informed by the development needs of communities and the development priorities of the municipality.
- Line managers need to advise as to what a realistic and achievable commitment for a target is, given the available resources and capacity. Managers will need to advise on seasonal changes and other externalities that should be considered in the process of target setting. There must be clear timelines related to the set targets.

Planning for performance is directly related to resources; therefore performance targets can only be set once the available resources, especially the approved budgets, have been identified. Planning for best performance is therefore directly related to the budget. However, constraints, risks and standards must also be taken into consideration and must be well documented in advance. The documented information must be taken into consideration during the reviewing phase of the performance management cycle.

Weightings and their allocations

COT has adopted a weighting approach to show the relative importance of one input and/or output KPI against another input or output KPI. Every input and/or output KPI in the performance agreement must be assigned a weighting. The total of the weightings on the performance agreement and scorecard must add up to 100 points for respectively the output and input KPI's. An important KPI may, for example, be assigned a weighting of 50 out of the total of 100 whereas a less important KPI may be assigned a weighting of 15 out of 100. The purpose of the weightings is to show employees what the key focus areas are in their work.

PHASE 2 – PERFORMANCE COACHING

This is the phase of continuously tracking and improving performance, through feedback and reinforcement of key results and competencies. This is done with a view to timely detect performance relapses and to simultaneously introduce speedy remedial actions. A prescribed record sheet is used to record evidence and remedies.

During this phase, on a quarterly basis, the actual performance must be determined and be judged against the quarterly obligation as well as the cumulative performance as well as other standards that have been set in advance. During this phase it is also important to document any evidence proving performance.

Although actual measurements are done each quarter, formal coaching only has to be done half yearly provided the documented performance in the first and third quarter is satisfactory.

PHASE 3 - REVIEWING

This phase involves jointly assessing actual performance against expectations at the end of the performance cycle to review and document planned vs. actual performance.

The following guidelines are applicable for conducting a performance review:

- Manager/supervisor to prepare ratings of employee's performance against key performance indicators. The rating is done by considering the year end actual cumulative as well, the evidence which were documented during the coaching cycle as well as any other relevant input². For an exposition of the five points scale and set criteria see the glossary of terms.
- Manager/supervisor to ask employee to prepare for formal appraisal by rating him/herself against the agreed key performance indicator.
- Manager/supervisor and employee to meet to conduct a formal performance rating with a view to conclude a final rating. The employee may request time to consider the rating. A second meeting may then be evident. In the event of a disagreement, the manager/supervisor has the final say with regard to the final rating that is given.
- After the ratings have been agreed upon the scores are calculated.
- The manager/supervisor should make his/her own notes during the formal review meeting. All the criteria that has been specified must be taken into consideration
- Only those KPI's relevant for the review period in question should be rated according to a five point scale.
- After the year-end review only do the manager/supervisor and employee prepare and agree on an individual learning plan.
- The setting of new key performance areas which will link up to the COT KPA's and the identification of the concomitants indicators for the next financial year needs to be concluded by the end of June of the current year. However the identification of KPA's forthcoming from the learning plans and the setting of targets, weights and dates can only be done after, the year-end review has been concluded.

The total score is determined once all the output and input KPI's have been rated and scored. This is done with a view to establish if an employee is entitled to a notch increase or an accelerated salary progression or a non-financial award.

Should an employee not be achieving the KPA's in his/her performance agreement the manager/supervisor should assist the employee by managing his/her performance more closely. It is not appropriate that the first time an employee hears about his/her non-performance is at the formal performance review. Employees must be coached and given feedback throughout the year.

PHASE 4 - REWARDING

This phase establishes the link between performance and reward. It aims to direct and reinforce effective work behaviors by determining and allocating equitable and appropriate rewards to employees.

Permanent employees will initially be awarded non-financial rewards for good performance. Ultimately financial rewards will be determined through the National Collective Bargaining process at South African Local Government Bargaining Council (SALGBC).

² At a later stage 180° and 360° reviews may be implemented, in which case Manager/supervisor may request inputs from "customers" on the employee's performance throughout the review period. This may be done through discussion or by asking "customers" to complete a rating form to submit to the manager/supervisor for consideration. Customers are people who are able to comment on the employee's performance since they have worked closely with him/her on some or all aspects of his/her job.

The guiding principles regarding non-financial rewards are discussed in detail in the Collective Agreement on Non-Financial Rewards.

To ensure the above the following policies were adopted:

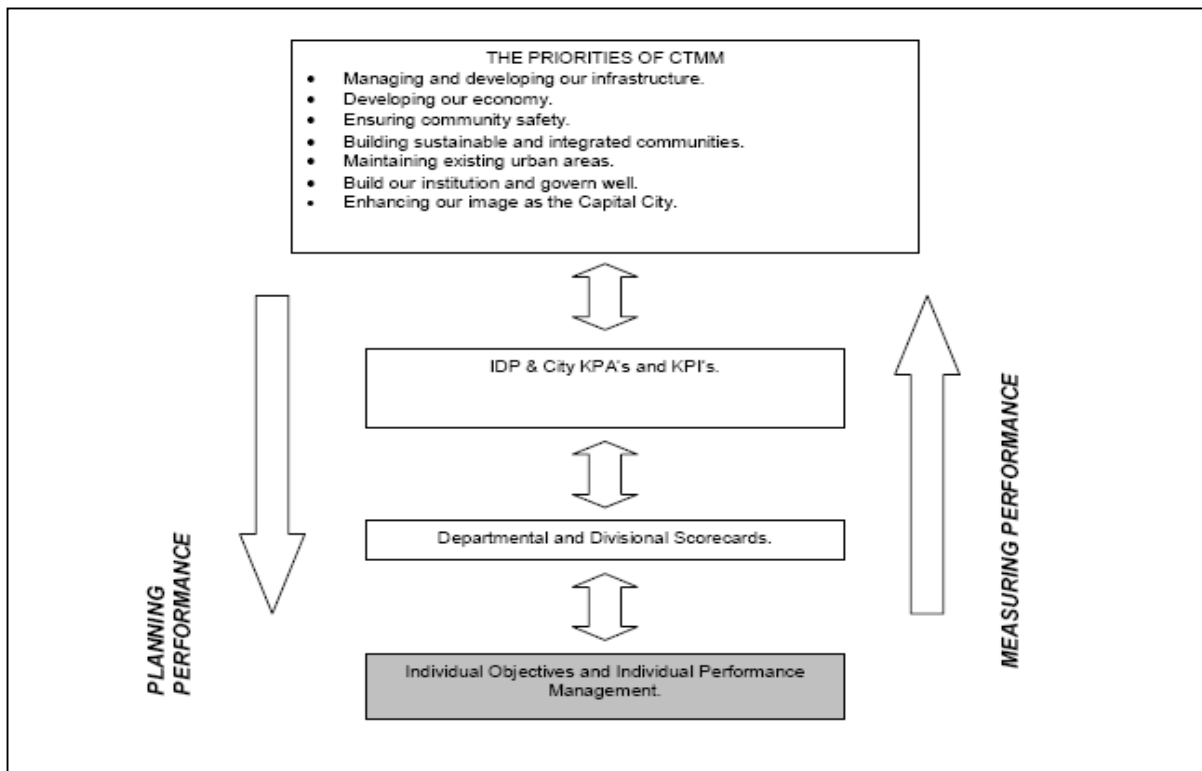
- Performance management policy and procedure
- Policy for the management of poor work performance
- Performance reward scheme
- Non-financial rewards for permanent employees;
- Remuneration policy

5.4 CHALLENGES

POLICY FRAMEWORK

The City of Tshwane acknowledges³ that there is a link between organizational performance management and individual performance management and illustrates it as per the diagram below:

Diagram 5.4: Organizational and Individual Performance Management Link



The systems and processes are however not supportive of dealing sufficiently with the management assumptions made in unpacking organizational performance into individual performance. To assist in this regard the City Manager has established a Performance Management Steering committee to oversee process integration of the performance management system.

This committee will as a point of departure update the performance management policy and procedure to allow for changes in the IDP as well as new individual performance management regulations published in 2006 by the Department of Local Government in August 2006.

Furthermore, it has been difficult to determine key performance indicators for all our strategic objectives. Not all our indicators are as measurable as we would like. This has created a challenge in aligning fully our performance management process with the IDP process. Monitoring and evaluation is therefore still challenging.

The following is still being improved in planning processes:

- Integration of developmental targets with core business, e.g. the training of women and youth whilst delivering capital projects for infrastructure.
- Understanding and managing the setting of priorities for the various financial years in the MTEF and their KPI's in the context of the 5 year term of the IDP, i.e. managing the context of inputs and the underlying assumptions of the inputs will achieve through processes on the output level.

There is a need to report achievement against a "fixed" target as opposed to the city's administrative reality of moving targets – this is best explained against an indicator such as % of households with access to basic or higher levels of service (NKPI). The households in a city are not static and are continually increasing – therefore within a restricted resource allocation towards service delivery, it might look as if eradication of service delivery backlogs is slow – however the backlog might be growing as a result of unplanned for growth due to migration etc. When the number of households is annually increased as per growth figures, it creates tension on the reporting side.

Targets are set in line with the established need in departmental business plans, which are to be included in the IDP. When the budget is however finalized, the resource requests are not granted due to budgetary constraints – the impact of this is that sometimes the targets are not changed in the IDP.

The City of Tshwane performance management policy, currently only makes provision for the review of individual performance and not for the review of organizational performance, which is why the policy is being reviewed at the moment.

The municipality has a number of challenges in developing a monitoring framework:

- The current systems does not allow for the non-financial planning of initiatives – i.e. for developmental initiatives e.g. improving community skills, or focusing on target groups such as the youth or women
 - There are no city level databases of all women, or youth or disabled
- The monitoring has to include ability to report on not only the city's priorities but also on National KPI's or provincial indicators. This becomes challenging when the city has a priority to support people receiving an income of R1700 or less as indigents whereas the national regulations make provision for R1100 – and reporting on the people that the City is supporting is therefore narrower than required.

CHAPTER 6: WAY FORWARD

This second revision of the Tshwane IDP was developed after consideration of; National and Policy imperatives, the needs and concerns of the communities, and the political imperatives of the Council.

The CoT maintains its focus on the five strategic objectives approved by Council in May 2006. This second revision focused on ensuring that our plans are measurable and achievable.

After Council approved this revision, it also considered the 08/09 MTREF for approval. Thereafter, the City of Tshwane Service Delivery and Budget Implementation Plan will be developed and; once approved by the Executive Mayor submitted to Council. The approved SDBIP will also be submitted to National Treasury and the MEC for Local Government in Gauteng Province.

Departmental business plans will be realigned based on the approved second revision and the MTREF, as well as the approved SDBIP. Departments that receive funding for the projects will refine their project plans and submit monthly progress reports on projects that are to be implemented in the 0809 financial year. This will form the basis for the development of senior manager individual performance scorecards.

Quarterly reports will be submitted against the approved SDBIP to Council, and copies of the report once Council has resolved will be submitted to National Treasury and the MEC for Local Government in Gauteng Province.

The City of Tshwane is committed to respond to the call made by President Thabo Mbeki as indicated below:

"More than at any other time, the situation that confronts our nation and country, and the tasks we have set ourselves, demand that we inspire and organise all our people to act together as one, to do all the things that have to be done, understanding that in a very real sense, all of us, together, hold our own future in our hands!"

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President Thabo Mbeki

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Agriculture & Environmental Management	Environmental Management	Development of Parks (Backlog & New)	710348	1	5,000,000	5,500,000	5,500,000	Tshwane Wide	Renewal	1					
Agriculture & Environmental Management	Environmental Management	Purchase of Mechanical Slump Cutter	710352	1	600,000	600,000	0	All	Renewal	1					
Agriculture & Environmental Management	Environmental Management	Development of Hatherley Cemetery	710467	1	0	2,500,000	0	17,16,15,18,23,6,67,41,40	Renewal	1	2	3			
Agriculture & Environmental Management	Environmental Management	Development of Honingneskranz Cemetery	710468	1	0	4,000,000	0	5,49,50	Renewal	1					
Agriculture & Environmental Management	Environmental Management	Landscaping of Traffic Islands and Entrances	712471	1	2,000,000	2,200,000	2,400,000	All	Renewal	1					
Agriculture & Environmental Management	Environmental Management	Green Buildings Program	712497	1	1,500,000	1,500,000	4,000,000	Tshwane Wide	Renewal	1					
Agriculture & Environmental Management	Environmental Management	Development and Upgrading of Existing Cemeteries	712498	1	5,000,000	5,000,000	0	37,39,36,35,20,34,33,19,12,29,26,27,49	New		2	3	4	5	
Agriculture & Environmental Management	Environmental Management	Upgrading of Mamelodi Cemeteries	712532	5	2,000,000	2,000,000	0	17,16,15,18,23,6,67,41,40	Renewal	1					
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Ga Motlhakga Resort	710435	1	5,000,000	2,000,000	2,000,000	63	Renewal		2				
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Kwaggaspruit Recreation Resort	710436	1	2,100,000	4,000,000	4,000,000	3	Renewal	1		3			
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Derde Poort Resort	710437	1	2,000,000	2,000,000	4,000,000	5	Renewal	1		3		5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Rietvlei Resort (Angling Area)	710440	1	3,000,000	3,000,000	3,000,000	47	Renewal	1				5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Fountains Valley Resort	710441	1	2,000,000	8,000,000	4,000,000	59	Renewal	1		3		5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Self Catering Chalets at Rietvlei Nature Reserve	710445	7	3,000,000	3,000,000	3,000,000	47	Renewal		2				X
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade facilities Groenkloof Nature Reserve	710446	1	1,000,000	3,500,000	1,000,000	59	Renewal	1		3		5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Depot Nature Conservation North	710449	1	800,000	0	0	4	Renewal	1		3		5	
Agriculture & Environmental Management	Nature Conservation and Resorts	New Swimming Pool Temba/ Hammanskraal	711578	1	4,000,000	0	0	74	Renewal			3	4	5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrade Moretele Park Resort	711581	1	3,500,000	2,000,000	0	6	Renewal	1	2	3	4	5	
Agriculture & Environmental Management	Nature Conservation and Resorts	New Shosangwe Recreational Resort (Klipkrustfontein Resort)	711582	1	7,000,000	4,000,000	4,000,000	37	New	1	2	3	4	5	
Agriculture & Environmental Management	Nature Conservation and Resorts	New Eerslerust Recreational Resort (Slinkwater)	711583	1	0	800,000	5,000,000	13	Renewal			3			
Agriculture & Environmental Management	Nature Conservation and Resorts	New Swimming Pool SAB Park (Ga Rankuwa)	712035	1	800,000	4,200,000	6,000,000	32	New	1	2	3	4	5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrading of Facilities Rietvlei Nature Reserve	712051	1	1,000,000	1,500,000	3,000,000	47	Renewal	1		3		5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Upgrading of Tjaar v Vuuren Swimming Pool	712734	1	1,000,000	2,000,000	0	54	Renewal	1		3		5	
Agriculture & Environmental Management	Nature Conservation and Resorts	Fencing off Spruit Areas City Wide (Ecological Sensitive & Security Purposes)	712736	1	6,000,000	6,000,000	6,000,000	Tshwane Wide	New	1					
Agriculture & Environmental Management	Waste Management	Garden Refuse Site Winterveldt	711685	1	1,015,000	1,200,000	0	Tshwane Wide	Renewal	1		3			
Agriculture & Environmental Management	Waste Management	Bulk Containers	712090	1	6,000,000	6,000,000	8,000,000	Tshwane Wide	Renewal	1					
Agriculture & Environmental Management	Waste Management	240 Litre Containers	712092	1	9,200,000	5,000,000	7,000,000	Tshwane Wide	Renewal		2				
Agriculture & Environmental Management	Waste Management	1000 Litre Containers	712093	1	1,000,000	1,000,000	1,000,000	Tshwane Wide	Renewal	1					
Agriculture & Environmental Management	Waste Management	Swivel Bins	712094	1	3,000,000	3,000,000	3,000,000	Tshwane Wide	Renewal	1		3			
Agriculture & Environmental Management	All	Capital Funded from Operating	712750	7	3,063,000	0	0	Tshwane Wide	New	1					
Agriculture & Environmental Management	Total				81,578,000	85,500,000	75,900,000								
City Planning and Development	City Planning	Alaska Offices: Combined One Stop Offices for 6 Sections	711914	1	8,300,000	0	0	4	Renewal	1					

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
City Planning and Development	City Planning	Tsotoso/Rekgabisa	712533	3	7,000,000	12,801,000	18,394,000	Tshwane Wide	New		2				
City Planning and Development	All	Capital Funded from Operating (City Planning & Development)	712751	7	150,000	0	0	Tshwane Wide	New	1					
City Planning and Development	All	Capital Funded from Operating (Regions)	712764	7	620,000	500,000	500,000	Tshwane Wide	New	1					
City Planning and Development	Total				16,070,000	13,301,000	18,894,000								
Community Safety	Disaster Management	Equipping of current Disaster Operations Centre	711922	1	2,500,000	4,000,000	3,500,000	Tshwane Wide	New			3			X
Community Safety	Disaster Management	Disaster Risk Management Tools and Equipment	712587	1	0	500,000	600,000	Tshwane Wide	New			3			X
Community Safety	Disaster Management	Acquisition of Fully Equipped Mobile Joint Incident Coordination Unit	712588	1	7,000,000	0	300,000	Tshwane Wide	New			3			X
Community Safety	Fire and Rescue Services	Acquisition: Fire Fighting Vehicles	710564	1	10,000,000	5,000,000	7,500,000	Tshwane Wide	Renewal			3			X
Community Safety	Fire and Rescue Services	South West Emergency Services Station (Centurion: Heuweloord)	710566	1	0	0	1,500,000	48	New			3			
Community Safety	Fire and Rescue Services	Two new Emergency Services Stations (Mamelodi and Winterveld)	710567	1	0	0	2,000,000	6.9 (Depending on Availability/Suitability of Land)	New			3			
Community Safety	Fire and Rescue Services	Refurbishment of Fire Fighting Vehicles	711454	1	1,000,000	2,500,000	2,000,000	Tshwane Wide	Renewal			3			
Community Safety	All	Capital Funded from Operating	712765	7	1,792,644	0	0	Tshwane Wide	New	1					
Community Safety	Metro Police	Establishment of Metro Police Offices Region 3	711517	1	0	8,000,000	7,000,000	4,30,31,32,37,39	Renewal			3			
Community Safety	Metro Police	Establishment of Metro Police Offices for Region 5	711519	1	0	7,000,000	7,000,000	1,3,7,51,55,60,62,63,68,71,72	Renewal			3			
Community Safety	Metro Police	Purchasing of Cameras and other Speed Law Enforcement Equipment	711524	1	2,000,000	2,000,000	4,000,000	Tshwane Wide	Renewal			3			
Community Safety	Metro Police	Establishment of Metro Police Offices for Region 1	712022	1	4,000,000	14,000,000	2,000,000	9,11,12,14,19,20,21,22,24,25,26,27,29,33,34,35,36	Renewal			3			
Community Safety	Metro Police	The Establishment of Network Infrastructure (IT and CCTV)	712345	1	4,000,000	4,000,000	0	Tshwane Wide	Renewal			3			X
Community Safety	Metro Police	Development/Construction of Tshwane Overload Control Programme	712347	1	3,000,000	5,000,000	5,000,000	Tshwane Wide	Renewal			3			
Community Safety	Metro Police	Upgrading Control Room/Ops Room CCTV Control Room (Phase 1)	712348	1	7,000,000	3,500,000	0	Tshwane Wide	Renewal			3			X
Community Safety	Metro Police	Purchasing of Policing Equipment for the 2010 World Soccer Cup	712500	1	8,000,000	20,000,000	0	Tshwane Wide	New			3			X
Community Safety	Metro Police	Purchasing of Technology in case of System Redundancy	712705	1	4,500,000	4,500,000	0	Tshwane Wide	New			3			
Community Safety	Metro Police	Upgrading of the Departmental One-Stop Client Centre at Licensing Centers	712706	1	2,200,000	0	0	38	New			3			
Community Safety	Metro Police	Expansion of the PREMOS Training Facilities to accommodate the TMPS Academy	712733	1	6,000,000	3,000,000	3,000,000	3	New			3			
Community Safety	All	Capital Funded from Operating	712752	7	381,650	0	0	Tshwane Wide	New	1					
Community Safety	Total				63,374,294	83,000,000	45,400,000								
Corporate & Shared Services	Administrative Services	Vehicles	710869	1	5,000,000	5,000,000	5,000,000	Tshwane Wide	Renewal						5
Corporate & Shared Services	Administrative Services	Contact Centre: North	712484	1	10,000,000	0	0	Northern Areas	New	1					
Corporate & Shared Services	Administrative Services	Ward Based Project: Corporate & Shared Services	712669	1	12,000,000	9,000,000	0	8,12,14,24,30,76	New			3			5
Corporate & Shared Services	Building Management	ASD Regional Offices	712603	1	6,485,000	10,000,000	10,000,000	74,80,51,38,9,20,31	New						5
Corporate & Shared Services	Corporate Auxiliary & Administrative Services	Replacement/Modernization of all the Lifts within various Council Buildings	712743	1	5,000,000	5,000,000	5,000,000	Tshwane Wide	Renewal			3			
Corporate & Shared Services	Information Management	Upgrade of IT Infrastructure	710200	1	8,000,000	5,000,000	5,000,000	Tshwane Wide	Renewal				4		5
Corporate & Shared Services	Information Management	One Integrated Transaction Processing System	710213	1	30,000,000	30,000,000	30,000,000	Tshwane Wide	Renewal						5
Corporate & Shared Services	Information Management	Computer Equipment Deployment (Printers)	710268	1	3,000,000	5,000,000	5,000,000	All	New						5

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Corporate & Shared Services	Information Management	Integration Telecommunication Equipment	710341	1	5,000,000	5,000,000	5,000,000	Tshwane Wide	Renewal				4	5	
Corporate & Shared Services	Information Management	Implementation of Storage Area Network	710344	1	10,000,000	10,000,000	10,000,000	Tshwane Wide	Renewal				4	5	
Corporate & Shared Services	Information Management	GIS	712446	1	1,000,000	1,000,000	1,000,000	Tshwane Wide	Renewal					5	
Corporate & Shared Services	Information Management	E-Initiatives supporting the Smart City	712554	1	6,000,000	6,000,000	6,000,000	Tshwane Wide	New					5	
Corporate & Shared Services	Information Management	Enterprise Project Management	712739	1	3,100,000	200,000	200,000	Tshwane Wide	New					5	
Corporate & Shared Services	Information Management	Workflow and Business Process Management Tool	712740	1	1,500,000	0	0	Tshwane Wide	New					5	
Corporate & Shared Services	Information Management	UPS and Generators for Critical ICT Systems	712741	1	500,000	500,000	500,000	Tshwane Wide	New					5	
Corporate & Shared Services	Information Management	Development of a Transaction based E-Commerce Portal for CoT	712742	1	3,600,000	200,000	200,000	Tshwane Wide	New					5	
Corporate & Shared Services	Information Management	Video and Audio Conferencing Systems	712738	1	1,500,000	0	0	Tshwane Wide	New					5	
Corporate & Shared Services	All	Capital Funded from Operating	712753	7	948,597	0	0	Tshwane Wide	New					5	
Corporate & Shared Services	Total				112,633,597	91,900,000	82,900,000								
Economic Development	Agricultural Trading Development	Upgrading of Market Agent Barriers	710274	7	250,000	100,000	100,000	3	Renewal	1					
Economic Development	Agricultural Trading Development	Upgrading and Extension of Facilities	710276	7	2,000,000	500,000	600,000	3	Renewal	1					
Economic Development	Agricultural Trading Development	Upgrading of Existing Processing Facilities	710277	7	1,000,000	6,800,000	6,700,000	3	New	1					
Economic Development	Agricultural Trading Development	Reparation to & Resurfacing of Roads	710420	7	800,000	450,000	350,000	3	Renewal	1					
Economic Development	Agricultural Trading Development	Upgrading of Cold rooms	711561	7	500,000	350,000	600,000	3	Renewal	1					
Economic Development	Agricultural Trading Development	Upgrading of Platforms	711570	7	350,000	350,000	400,000	3	Renewal	1					
Economic Development	Agricultural Trading Development	Relocation, Watermelon Sheds	712029	7	13,500,000	0	0	3	Renewal	1					
Economic Development	Agricultural Trading Development	Late Delivery Canopy	712459	7	500,000	0	0	3	Renewal	1					
Economic Development	Agricultural Trading Development	Upgrading & Extension of Office Blocks	712585	7	5,100,000	100,000	100,000	3	New	1					
Economic Development	Agricultural Trading Development	Establishing of Tshwane Market in the North	712615	7	2,700,000	10,000,000	10,000,000	37	New	1					
Economic Development	LED	Establish Inf. Trade Markets: Inner City, Mabopane	710488	5	2,000,000	3,000,000	3,000,000	3	New		2				
Economic Development	LED	Marketing & Trading Stalls - Ga-Rankuwa	712298	1	2,000,000	2,000,000	2,000,000	31	New		2				X
Economic Development	LED	Barakak Building	712531	1	3,000,000	0	0	60	New		2				
Economic Development	Tourism	Mamelodi Rondavels	710582	1	1,000,000	1,000,000	1,000,000	6	Renewal		2				X
Economic Development	Tourism	Tourism Signage	710579	1	3,000,000	3,000,000	0	Tshwane Wide	Renewal		2				X
Economic Development	Tourism	Hop on Hop off Bus	710580	1	2,500,000	2,700,000	0	Tshwane Wide	New		2				X
Economic Development	Tourism	Tourism Information Office	710586	1	1,000,000	2,500,000	3,000,000	Tshwane Wide	Renewal		2				X
Economic Development	Tourism	Arts & Craft Exhibition Stalls	710587	1	6,150,000	9,457,000	5,000,000	Tshwane Wide	New		2				X
Economic Development	All	Capital Funded from Operating	712754	7	526,238	0	0	Tshwane Wide	New	1					
Economic Development	Total				47,876,238	42,307,000	32,850,000								
Financial Services	Treasury	Insurance Replacements (CTMM Contribution)	712449	7	8,000,000	8,000,000	8,000,000	Tshwane Wide	Renewal				4	5	
Financial Services	Treasury	Insurance Replacements (AFR)	712450	7	5,000,000	5,000,000	5,000,000	Tshwane Wide	Renewal				4	5	

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Financial Services	Treasury	Stanza Bopape Pay Point	712599	1	700,000	0	0	16	New	1					5
Financial Services	Supply Chain	Buildings and Equipment	712444	1	1,800,000	2,000,000	2,000,000	58	Renewal	1					5
Financial Services	Supply Chain	Conversion of Store to Office Block	712732	1	2,400,000	0	0	Tshwane Wide	New	1					
Financial Services	All	Capital Funded from Operating	712755	7	521,884	0	0	Tshwane Wide	New						5
Financial Services	Total				18,421,884	15,000,000	15,000,000								
Health & Social Development	Health Care	Replacement Pretorius Park Clinic	710067	1	0	0	4,320,000	44	New			3			
Health & Social Development	Health Care	New Doornpoort Clinic	710075	1	0	0	8,100,000	5	New			3			
Health & Social Development	Health Care	Extension of Stanza Bopape Clinic	710201	1	10,000,000	0	0	1,17	Renewal			3			
Health & Social Development	Health Care	Extensions Lotus Gardens Clinic	710203	1	9,500,000	0	0	1,7	New			3			
Health & Social Development	Health Care	Atmospheric Pollution Monitoring Network (include Dispersion modeling and VOC and BTX and PM 1 Monitoring Network)	711562	1	0	2,000,000	2,000,000	Tshwane Wide	Renewal			3			
Health & Social Development	Health Care	Upgrade Workflow System for Health-Erp	712028	1	8,000,000	11,000,000	7,000,000	Tshwane Wide	Renewal			3			
Health & Social Development	Health Care	Extension Olievenhoutbosch	712057	1	0	0	5,777,000	48	Renewal			3			
Health & Social Development	Health Care	Extension Sausville Clinic	712074	1	0	0	5,000,000	68	Renewal			3			
Health & Social Development	Health Care	Extension Majaneng Clinic to a CHC (Kekanastad)	712189	1	0	0	16,000,000	75	Renewal			3			
Health & Social Development	Health Care	Extension Danville Clinic	712266	1	0	0	7,100,000	7	Renewal			3			
Health & Social Development	Health Care	Upgrading of Clinic Dispensaries	712278	1	2,000,000	4,000,000	4,000,000	Tshwane Wide	Renewal			3			
Health & Social Development	Health Care	New East Lynn Clinic	712556	1	0	0	12,580,000	43	New			3			
Health & Social Development	ICD	Community Empowerment Centres: Tunnels/Equip.	710316	1	3,000,000	0	4,000,000	1,17	New			3			
Health & Social Development	All	Capital Funded from Operating	712756	7	459,371	0	0	Tshwane Wide	New	1					
Health & Social Development	Total				32,959,371	17,000,000	75,877,000								
Housing Services	Housing Services	Sewer - Low Cost Housing	710785	1	9,313,000	9,313,000	9,313,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1					
Housing Services	Housing Services	Township Establishment - Low Cost Housing	710787	1	3,000,000	3,000,000	3,000,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Roads & Stormwater - Low Cost Housing	710788	1	53,000,000	53,000,000	53,000,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Housing Facilities - Low Cost Housing	710860	1	3,600,000	3,600,000	3,600,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Township Establishment - Low Cost Housing	710862	4	6,674,230	6,674,230	6,674,230	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Project Linked Housing - Water Provision	710863	4	17,857,032	17,857,032	17,857,032	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Project Linked Housing - Sanitation Provision	710864	4	28,792,416	28,792,416	28,792,416	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Project Linked Housing - Roads and Stormwater	710865	4	23,200,710	23,200,710	23,200,710	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Project Linked Housing - Acquisition of Land	710868	1	5,000,000	5,000,000	5,000,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Water - Low Cost Housing	710898	1	18,000,000	18,000,000	18,000,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Winterveld Land Management Plan	711489	1	11,000,000	11,000,000	11,000,000	9,12,22,24	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Winterveld Land Management Plan	711489	5	0	5,000,000	0	9,12,22,24	Renewal	1	2	3	4	5	

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Housing Services	Housing Services	Saulsville Hostels including Murray and Roberts	711712	1	18,000,000	18,000,000	18,000,000	63	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Saulsville Hostels including Murray and Roberts	711712	4	2,872,800	2,872,800	2,872,800	63	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Mamelodi Hostel	711713	1	18,000,000	18,000,000	18,000,000	38,67	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Mamelodi Hostel	711713	4	4,924,800	4,924,800	4,924,800	38,67	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Township Development Electricity Relocations	711719	1	2,000,000	2,000,000	2,000,000	1,3,4,7,8,9,10,11,12,13,14,16,17,18,20,22,24,25,26,27,29,30,32,34,36,37,38,39,40,48,49,62,63,67,68,71,72,73,74,75,76	Renewal	1	2	3	4	5	
Housing Services	Housing Services	Upgrading of Schubart & Kruger Park	712609	1	20,000,000	30,000,000	40,000,000	60	New	1					
Housing Services	All	Capital Funded from Operating	712757	7	100,000	0	0	Tshwane Wide	New	1					
Housing Services	Total				245,334,988	260,234,988	265,234,988								
Office Of the City Manager & Executive Mayor	All	Capital Funded from Operating	712758	7	528,201	0	0	Tshwane Wide	New						5
Office Of the City Manager & Executive Mayor	Total				528,201	0	0								
Public Works	Electricity	Upgrading/Strengthening of Existing Network Schemes	710005	1	7,000,000	7,500,000	8,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Electricity	Payments to Townships for Reticulated Towns	710006	1	6,000,000	6,500,000	7,000,000	Tshwane Wide	Renewal	1		3			
Public Works	Electricity	New Halberley/Mamelodi Substation and associated Powerline to Mamelodi 2	710153	1	15,000,000	20,000,000	20,000,000	10,40	Renewal	1	2	3			
Public Works	Electricity	Sub Transmission Equipment Refurbishment	710163	1	8,000,000	11,500,000	11,500,000	Tshwane Wide	Renewal	1		3			
Public Works	Electricity	11kV Panel Extension in Substations	710164	1	6,000,000	6,500,000	6,500,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Electricity	Pumulani Substation Stage II Extension (Stage 3 TRF & NER in 2009)	710169	1	7,000,000	0	0	5,43,49,52	Renewal	1	2	3			
Public Works	Electricity	Claudius Substation Stage II Extension	710172	1	8,000,000	0	0	7,48,66,70,71,72,61	Renewal	1	2	3	4		
Public Works	Electricity	Replacement of Obsolete and Dangerous Switchgear	710176	1	8,000,000	14,000,000	14,000,000	Tshwane Wide	Renewal			3			
Public Works	Electricity	Low Voltage Network within Towns	710177	1	10,000,000	12,000,000	12,000,000	Tshwane Wide	Renewal	1	2				
Public Works	Electricity	Electricity for All	710178	1	14,258,000	21,500,000	34,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Electricity	Electricity for All	710178	6	60,500,000	80,826,000	85,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Electricity	Geospatial Information Technology Implementation	710180	1	4,000,000	0	0	Tshwane Wide	Renewal						5
Public Works	Electricity	Communication Upgrade: Optical Fibre Net	710325	1	5,000,000	15,000,000	0	Tshwane Wide	Renewal		2				
Public Works	Electricity	Strengthening of 11kv Cable Network	710480	1	15,000,000	17,000,000	17,000,000	Tshwane Wide	Renewal	1					
Public Works	Electricity	Strengthening of 11kv Overhead Network	710481	1	12,300,000	12,300,000	15,000,000	Tshwane Wide	Renewal	1					
Public Works	Electricity	Substations	710484	1	1,800,000	2,100,000	3,000,000	Tshwane Wide	Renewal	1	2				
Public Works	Electricity	Tshwane Public Lighting Programme	710556	5	19,200,000	24,132,000	28,545,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Electricity	Tshwane Public Lighting Programme	710556	1	20,000,000	20,000,000	20,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Electricity	Wingale Substation Extension	711511	1	10,000,000	0	0	45,46,74,57,65	Renewal	1	2	3			
Public Works	Electricity	Centurion CBD Capacity Upgrade (Kentrion) (Further TRF's in CDB)	711703	1	10,000,000	0	0	65,64,66,69,70	Renewal	1	2	3			
Public Works	Electricity	Pre- Paid Electricity	711862	1	25,000,000	30,000,000	40,000,000	Tshwane Wide	Renewal	1					5
Public Works	Electricity	Replacement of Obsolete and Non Functional Protection Equipment	712006	1	3,000,000	3,500,000	3,500,000	1,52,54,60,34,29,70,69,65	Renewal	1	2	3			
Public Works	Electricity	New Bulk Electricity Infrastructure	712279	1	15,000,000	65,000,000	65,000,000	Tshwane Wide	New	1					

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Electricity	New Connections	712483	1	30,000,000	42,000,000	42,000,000	Tshwane Wide	Renewal	1	2				
Public Works	Electricity	Energy Consumption Reduction Initiatives	712491	1	3,000,000	0	0	Tshwane Wide	New	1				5	
Public Works	Electricity	Electrification of Winterveldt	712492	1	66,000,000	23,400,000	0	9,24,12	Renewal	1	2	3			
Public Works	Electricity	New Depot (Soshanguve)	712493	1	36,000,000	36,000,000	0	11,25,26,27,29,13,14	Renewal	1	2		4	5	
Public Works	Electricity	Ward Based Project: Electricity	712608	1	9,475,000	7,725,000	9,975,000	8,9,12,14,19,20,21,22,24,30,31,32,40 (Nellmapius part), 43,48,73,74,75,76	New	1					
Public Works	Electricity	Capital Funded from Operating	712759	7	8,257,065	0	0	Tshwane Wide	New	1					
Public Works: Electricity	Subtotal				442,790,065	478,483,000	442,020,000								
Public Works	Roads & Stormwater	Contributions: Services for Township Development	710115	1	9,000,000	6,000,000	20,000,000	Tshwane Wide	New	1	2				
Public Works	Roads & Stormwater	Essential/Unforeseen Stormwater Drainage Problems	710116	1	3,000,000	3,000,000	3,000,000	Tshwane Wide	New	1		3			
Public Works	Roads & Stormwater	Apies River: Canal Upgrading, Pretoria Central	710117	1	550,000	550,000	1,000,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	S/W Box Culvert Under Railway Line, H/Skraal	710127	1	3,000,000	0	0	74	New	1		3			
Public Works	Roads & Stormwater	Concrete Canal: Sam Malema Road, Winterveldt	710128	1	5,000,000	10,000,000	500,000	9	New	1	2	3			
Public Works	Roads & Stormwater	Major Stormwater System, Mamelodi X 8	710129	1	1,000,000	1,000,000	0	17	New	1	2	3			
Public Works	Roads & Stormwater	Stormwater System in Eersterust X 2	710139	1	4,500,000	0	0	43	Renewal	1	2	3			
Public Works	Roads & Stormwater	Major Stormwater Systems: KlipKruisfontein	710143	1	3,500,000	4,000,000	0	37,39	New	1	2	3			
Public Works	Roads & Stormwater	Rehabilitation of Stormwater Systems & Sidewalks	710220	1	0	0	5,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Roads & Stormwater	Rehabilitation of Stormwater Systems & Sidewalks	710220	5	9,508,750	15,600,000	10,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Roads & Stormwater	Replacement of Traffic Signs	710221	1	2,000,000	2,000,000	5,000,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	Rehabilitation of Bridges	710223	1	1,000,000	1,000,000	2,000,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	Essential & Unforeseen Road Improvements	710226	1	1,200,000	1,500,000	2,000,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	Parking Bays / Bays at Schools	710227	1	800,000	800,000	2,000,000	Tshwane Wide	New	1		3			
Public Works	Roads & Stormwater	Cycle and Pedestrian Paths for Tshwane	710228	1	2,000,000	3,000,000	3,000,000	Tshwane Wide	New	1		3			
Public Works	Roads & Stormwater	Traffic Calming and Pedestrian Safety for Tshwane	710229	1	3,000,000	3,500,000	3,500,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	Upgrading of Roads in Marabastad	710259	1	2,000,000	0	0	3	Renewal	1	2				
Public Works	Roads & Stormwater	Traffic Lights/Traffic Signal System	710395	1	2,000,000	1,000,000	1,300,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	Traffic Signals to Meet Legal Requirements	710398	1	3,500,000	1,000,000	3,000,000	Tshwane Wide	Renewal			3		5	
Public Works	Roads & Stormwater	Extension of Alcon Traffic Control System	710399	1	1,000,000	500,000	1,000,000	Tshwane Wide	Renewal	1		3			
Public Works	Roads & Stormwater	Implement Real Time Traffic Control Pilot Project	710402	1	1,000,000	500,000	1,000,000	Tshwane Wide	New	1		3			
Public Works	Roads & Stormwater	Mateleng Main Transport Route, Slinkwater	710597	5	5,000,000	600,000	0	14	New	1	2	3			
Public Works	Roads & Stormwater	Shova Kalula Bicycle Project	710609	1	1,500,000	300,000	300,000	51,62,63	New	1		3	4		
Public Works	Roads & Stormwater	Rehabilitation of Roads	710902	1	10,000,000	10,000,000	20,000,000	N/East, N/West, Rest of Tshwane	Renewal	1		3			
Public Works	Roads & Stormwater	Rehabilitation of Roads	710902	5	4,922,000	0	24,368,000	N/East, N/West, Rest of Tshwane	Renewal	1		3			
Public Works	Roads & Stormwater	Doubling of Church Street over the Railway Line	710928	1	0	0	15,000,000	56	Renewal	1					

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Roads & Stormwater	Real Rover Road to Serapeng Road	710936	1	1,200,000	0	0	18,4	New	1	2	3			
Public Works	Roads & Stormwater	Access Road to Mamelodi X18 (K54)	710937	1	2,100,000	0	0	10	New	1	2	3			
Public Works	Roads & Stormwater	Access Road to Mamelodi X18 (K54)	710937	5	1,000,000	2,000,000	0	10	New	1	2	3			
Public Works	Roads & Stormwater	Doubling of Lynnwood Road	710939	1	35,500,000	100,000	0	40,44,46	Renewal	1	2	3			
Public Works	Roads & Stormwater	Block W - Stormwater Drainage	711164	1	300,000	0	0	25	New	1	2	3			
Public Works	Roads & Stormwater	Stormwater Drainage Mahube Valley	711213	5	3,300,000	4,000,000	0	17	New	1	2	3			
Public Works	Roads & Stormwater	Magriet Monamodi Stormwater System	711262	1	0	0	10,000,000	73	New	1	2	3			
Public Works	Roads & Stormwater	Magriet Monamodi Stormwater System	711262	5	1,000,000	7,000,000	0	73	New	1	2	3			
Public Works	Roads & Stormwater	Major S/ Water Drainage System: Matenteng	711264	1	6,500,000	0	6,000,000	14	New	1	2	3			
Public Works	Roads & Stormwater	Major S/ Water Drainage System: Matenteng	711264	5	0	6,000,000	0	14	New	1	2	3			
Public Works	Roads & Stormwater	Harlebeest Spruit: Canal Upgrading	711265	1	100,000	5,000,000	10,000,000	42	Renewal	1	2	3			
Public Works	Roads & Stormwater	Moreleta Spruit: Flood Structure	711267	1	8,700,000	0	0	45,47	New	1	2	3			
Public Works	Roads & Stormwater	Montana Spruit: Channel Improvements	711268	1	6,000,000	14,240,000	0	5	Renewal	1	2	3			
Public Works	Roads & Stormwater	Stormwater Box Culvert: Meadow Ave	711269	1	2,000,000	0	0	40	New	1	2	3			
Public Works	Roads & Stormwater	Major S/Water Drainage System: Majaneng	711273	1	708,750	0	0	76	New	1	2	3			
Public Works	Roads & Stormwater	Major S/Water Drainage System: Majaneng	711273	5	4,791,250	6,000,000	0	76	New	1	2	3			
Public Works	Roads & Stormwater	Major S/Water Drainage Channels: Ga-Rankuwa	711284	5	6,500,000	4,000,000	4,000,000	30,31,32	New	1	2	3			
Public Works	Roads & Stormwater	Stormwater Drainage Systems in Ga-Rankuwa View	711285	5	3,000,000	4,000,000	3,500,000	30	New	1	2	3			
Public Works	Roads & Stormwater	Upgrading of Road Network in Menlyn Node	711301	1	0	0	25,000,000	46	Renewal	1	2	3			
Public Works	Roads & Stormwater	Doubling of Simon Vermooten	711800	1	30,000,000	11,816,000	0	40,41,43	Renewal	1	2				
Public Works	Roads & Stormwater	Doubling of Simon Vermooten	711800	3	10,000,000	0	0	40,41,43	Renewal	1	2				
Public Works	Roads & Stormwater	Internal Roads: Northern Areas	711863	1	15,187,500	23,570,000	30,815,000	62,6,73,34,19,29,21,13	Renewal	1	2	3			
Public Works	Roads & Stormwater	Internal Roads: Northern Areas	711863	5	20,763,000	60,100,000	25,000,000	62,6,73,34,19,29,21,13	Renewal	1	2	3			
Public Works	Roads & Stormwater	Centurion Lake and Kaal Spruit	712217	1	800,000	6,500,000	0	57,65,69	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlogs: Stinkwater & New Eersterust Area	712219	5	2,000,000	2,000,000	2,000,000	8,13,14	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlogs: Sosh & Winterveldt Area	712220	1	1,000,000	3,593,000	2,000,000	9,11,12,22,24,25,26,27,29,33,34,35,36,49	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlogs: Sosh & Winterveldt Area	712220	5	0	1,407,000	3,000,000	9,11,12,22,24,25,26,27,29,33,34,35,36,49	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlogs: Mabopane Area	712221	1	3,500,000	7,800,000	5,000,000	19,20,21,22	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlogs: Mamelodi, Eersterust & Pla Eastern Area	712223	1	3,500,000	2,000,000	2,000,000	6,10,15,16,17,18,23,28,38,40,41,43,44,45,46,47,52,67	Renewal	1	2	3			
Public Works	Roads & Stormwater	Formalize and Align New Access to Odenburg Gardens	712253	1	1,450,000	0	0	22	Renewal	1	2	3			
Public Works	Roads & Stormwater	Formalize and Align New Access to Odenburg Gardens	712253	5	50,000	0	0	22	Renewal	1	2	3			
Public Works	Roads & Stormwater	Traffic Flow and Safety on Corridors	712501	1	1,000,000	1,000,000	2,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Roads & Stormwater	Traffic Flow and Safety on Corridors	712501	3	1,300,000	0	0	Tshwane Wide	Renewal	1	2	3			

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Roads & Stormwater	Traffic Flow Improvement at Intersections	712502	1	1,500,000	1,500,000	4,000,000	Tshwane Wide	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 3, Kudube Unit 11	712503	1	0	1,300,000	5,000,000	75	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 2F, Kudube Unit 6	712504	1	0	1,600,000	5,000,000	75	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 2H, Kudube Unit 7	712507	1	1,000,000	0	0	8	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 1B, Suurman	712508	1	0	0	2,000,000	76	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 1D, Suurman	712509	1	0	0	2,000,000	8	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 1E, Suurman	712510	1	0	1,000,000	2,000,000	8	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network C5, C6, C11 & C13, Ateridgeville	712511	1	0	7,000,000	2,000,000	62	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network C5, C6, C11 & C13, Ateridgeville	712511	5	2,700,000	0	2,000,000	62	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 5D, Mandela Village Unit 12	712512	1	4,000,000	7,000,000	7,000,000	73	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Soshanguve South & Akasia Area	712513	1	3,750,000	8,000,000	8,000,000	2,4,Part of 20,35,36,37,39	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Olivehouthbosch & Centurion Area	712514	1	0	0	1,000,000	7,57,48,61,64,65,66,69,70	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 2B, Ramotse	712515	1	5,000,000	5,000,000	1,000,000	73	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 2D, New Eersterust x 2	712516	1	1,300,000	2,000,000	3,000,000	13	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Drainage Canals along Hans Strydom Dr, Mamelodi x 4 and 5	712518	1	5,000,000	100,000	0	15,16	Renewal	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 1A, 1C & 1F, Ramotse	712520	1	3,000,000	7,000,000	1,000,000	73	New	1	2	3			
Public Works	Roads & Stormwater	Flooding Backlog: Network 1A, 1C & 1F, Ramotse	712520	5	10,500,000	4,000,000	0	73	New	1	2	3			
Public Works	Roads & Stormwater	Collector Road Backlogs: Mamelodi	712521	1	5,000,000	8,651,000	10,000,000	6,10,15,16,17,18,23,28,38,67,Part of 49	Renewal	1					
Public Works	Roads & Stormwater	Collector Road Backlogs: Ateridgeville	712522	1	4,000,000	5,000,000	5,000,000	Part of 7,51,62,63,68,71,72	Renewal	1					
Public Works	Roads & Stormwater	Flooding Backlog: Network 3A, Kudube Unit 9	712523	1	6,000,000	0	0	74	New	1					
Public Works	Roads & Stormwater	Waterkloof Airforce Base SW Canal	712524	3	1,000,000	0	0	57,59	Renewal	1		3		5	
Public Works	Roads & Stormwater	Lofus: Upgrading of Charles Street	712537	2	42,000,000	40,000,000	0	56	New		2				X
Public Works	Roads & Stormwater	Hatfield: Upgrading of Pretorius Str	712538	2	9,600,000	0	0	56	New		2				X
Public Works	Roads & Stormwater	Hatfield : Upgrading of Schoeman Str	712539	2	14,600,000	0	0	56	New		2				X
Public Works	Roads & Stormwater	Hatfield: Upgrading of Duncan/Gordon	712540	2	18,400,000	0	0	56	New		2				X
Public Works	Roads & Stormwater	Hatfield One Way System	712541	2	22,000,000	0	0	56	New		2				X
Public Works	Roads & Stormwater	Upgrading of Maunde	712544	1	2,000,000	0	0	3,51,62	New		2				X
Public Works	Roads & Stormwater	Upgrading of Maunde	712544	2	17,800,000	0	0	3,51,62	New		2				X
Public Works	Roads & Stormwater	Giant Stadium: Bulekant Str	712545	1	2,000,000	0	0	33	New		2				X
Public Works	Roads & Stormwater	Giant Stadium: Bulekant Str	712545	2	10,000,000	0	0	33	New		2				X
Public Works	Roads & Stormwater	Wonderboom Airport Access: Lindveldl Avn	712546	2	9,000,000	0	0	50	New		2				X
Public Works	Roads & Stormwater	K69 Between Waterkloof Air Force Base & R21	712547	2	8,700,000	9,000,000	0	59,42,46	New		2				X
Public Works	Roads & Stormwater	Catalytic Project: G9 Western Bypass	712604	1	0	23,920,000	0	55,7,3	New		2				

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Roads & Stormwater	Upgrading of Roads and Appurtenant Stormwater Systems in Soshanguve	712605	1	49,650,000	60,100,000	40,000,000	11,12,25,26,27,29,33,34,35,36	New	1					
Public Works	Roads & Stormwater	Upgrading of Roads and Appurtenant Stormwater Systems in Soshanguve	712605	5	0	1,000,000	0	11,12,25,26,27,29,33,34,35,36	New	1					
Public Works	Roads & Stormwater	Upgrading of Lavender Road (Southern Part of K 97)	712610	1	16,478,750	30,000,000	30,000,000	49,50	New	1	2				
Public Works	Roads & Stormwater	Upgrading of Mabopane: Roads dealing with Red Soils	712611	1	10,000,000	10,000,000	10,000,000	19,20,21	New	1					
Public Works	Roads & Stormwater	Upgrading of Sibande Street, Mamelodi	712612	1	7,000,000	5,000,000	0	6,23	New	1					
Public Works	Roads & Stormwater	Counter Funding for 2010	712613	1	26,125,000	0	0	3,33,42,46,51,56,59,62	New		2				
Public Works	Roads & Stormwater	Ward Based Project: Roads & Stormwater	712616	1	9,475,000	7,725,000	9,975,000	8,9,12,14,19,20,21,22,24,30,31,32,40 (Nelmaplus Part),43,48,73,74,75,76	New	1					
Public Works	Roads & Stormwater	Capital Funded from Operating	712760	7	347,240	0	0	Tshwane Wide	New	1					
Public Works: Roads and Stormwater	Subtotal				582,157,240	483,872,000	403,258,000								
Public Works	Transport	Mabopane Station Modal Interchange	710657	1	10,000,000	3,000,000	2,000,000	19	Renewal	1	2				
Public Works	Transport	Mabopane Station Modal Interchange	710657	5	4,000,000	0	0	19	Renewal	1	2				
Public Works	Transport	Pretoria Cbd Public Transport Facilities	710661	1	727,000	495,200	846,300	60	Renewal	1	2				
Public Works	Transport	Provide Bus and Taxi Lay-ByS	710662	1	872,400	742,800	846,300	Tshwane Wide	Renewal	1		3			
Public Works	Transport	Eerste Fabrike Station North & South	710664	1	145,400	680,900	564,200	38	Renewal	1	2				
Public Works	Transport	Dairymall Taxi Rank provide Paving Shelters Lights	710667	1	8,000,000	6,000,000	2,000,000	60	Renewal	1	2				
Public Works	Transport	Marabastad Bus Facilities	710670	1	436,200	371,400	282,100	60	Renewal	1	2				
Public Works	Transport	Eastlynn Bus and Taxi Facilities	710671	5	2,000,000	10,000,000	6,000,000	52	New	1	2				
Public Works	Transport	Saundville Station Pedestrian	710743	1	727,000	866,600	0	68	Renewal			3			
Public Works	Transport	Irene Station Intermodal Facility	711742	1	0	495,200	987,350	65	New	1					
Public Works	Transport	Klipkruisfontein Multimodal Transfer Facility	711754	1	1,500,000	0	0	37	New	1					
Public Works	Transport	Taxi Facilities, Halfeld, Brooklyn & Sunnyside	712371	1	0	742,800	846,300	56,42	New	1					
Public Works	Transport	Menlyn PT Facility	712376	5	1,000,000	7,000,000	0	42	New	1					
Public Works	Transport	New Eesterust Taxi Rank	712377	1	0	247,600	282,100	13	New	1					
Public Works	Transport	Rainbow Junction/Pta North Public Transport: 2010	712382	1	0	2,971,200	3,385,200	50	New	1		3			X
Public Works	Transport	ElardusPark/Wingate Park Bus & Taxi Facilities	712387	1	290,800	742,800	564,200	47	New	1					
Public Works	Transport	Eesterust (Pretoria) Intermodal Facility	712487	1	290,800	247,600	0	43	New	1					
Public Works	Transport	Public Transport Facility (Loftus Versveld Stadium 2010SWC)	712589	2	15,000,000	35,000,000	0	56	New	1					X
Public Works	Transport	Training Venues (2010SWC)	712590	2	9,000,000	21,000,000	0	60,62,33,67	New	1					X
Public Works	Transport	CBD and Surrounding Areas (2010SWC) HOV / BRT Lanes on Corridors to North and Halfeld	712591	2	321,554,000	406,895,000	804,180,000	Tshwane Wide	New	1					X
Public Works	Transport	Development of Main Station Node as Regional Transport Hub	712748	2	4,000,000	10,000,000	0	58	New	1					X
Public Works	Transport	Electronic Ticketing System (Bus Service)	712593	1	2,908,000	0	0	Tshwane Wide	New					5	X
Public Works	Transport	Ward Based Project: Transport	712617	1	9,475,000	7,725,000	9,975,000	8,9,12,14,19,20,21,22,24,30,31,32,40 (Nelmaplus Part),43,48,73,74,75,76	New	1					
Public Works	Transport	Capital Funded from Operating	712761	7	20,000	0	0	Tshwane Wide	New	1					

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Transport (Wonderboom Airport)	Separation Airside/Landside movements	711953	1	6,500,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Replacement of weather system	712562	1	10,000,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Arrivals and departure halls	712563	1	5,000,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Porte Courche for SMME development	712564	1	1,500,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Drop off facility	712565	1	350,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Aircraft parking facility in maintenance area	712567	1	5,000,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Construction of holding bays	712570	1	10,000,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Electrical reticulation upgrade	712571	1	500,000	0	0	50	Renewal	1					X
Public Works	Transport (Wonderboom Airport)	Water reticulation phase 2	712572	1	750,000	0	0	50	Renewal	1					X
Public Works	Transport (Wonderboom Airport)	Upgrade stormwater system phase 2	712573	1	1,000,000	0	0	50	Renewal	1					X
Public Works	Transport (Wonderboom Airport)	Upgrade sewerage network phase 2	712574	1	1,000,000	0	0	50	Renewal		2				X
Public Works	Transport (Wonderboom Airport)	Purchase new emergency vehicles	712575	1	10,000,000	0	0	50	New		2				X
Public Works	Transport (Wonderboom Airport)	Purchase ground handling equipment	712576	1	5,000,000	0	0	50	New		2				X
Public Works	Transport (Wonderboom Airport)	Construct new aircraft parking aprons	712577	1	100,900,000	0	0	50	New		2				X
Public Works	Transport (Wonderboom Airport)	Construct public transport and parking facility	712579	1	3,000,000	0	0	50	New		2				X
Public Works: Transport	Subtotal				552,446,600	515,224,100	832,759,050								
Public Works	Water & Sanitation	Upgrading of Sewers in Mamelodi	710007	1	12,000,000	500,000	7,000,000	6,15,18,23,28,38,40,67	New	1		3			
Public Works	Water & Sanitation	Upgrading of Sewers in Tshwane Area	710010	1	5,500,000	12,500,000	12,000,000	51,62,63,68,71,72	Renewal	1		3			
Public Works	Water & Sanitation	Township Water Services Dev: Tshwane Contributions	710022	1	5,000,000	6,000,000	6,000,000	Tshwane Wide 1 to 76	New	1		3			
Public Works	Water & Sanitation	Lengthening of Network and Supply Pipelines	710023	1	4,000,000	4,500,000	5,000,000	7,36,42,47,56,59,66	New	1		3			
Public Works	Water & Sanitation	Upgrading of Networks where Difficulties Exist	710024	1	2,000,000	3,000,000	15,000,000	1,2,3,4,41,42,44,45,46,50,52,53,57,58,59,60,61,65,66,70	New	1		3			
Public Works	Water & Sanitation	Water Supply to Agricultural Holdings	710025	1	2,000,000	2,500,000	3,000,000	4,7,48,49,50,55,70	New	1		3			
Public Works	Water & Sanitation	Replacement of Worn Out Network Pipes	710026	1	25,000,000	27,000,000	50,000,000	1,2,3,4,41,42,44,45,46,50,52,53,57,58,59,60,61,65,66,70	Renewal	1		3			
Public Works	Water & Sanitation	Network Upgrading in Hatfield	710031	1	4,000,000	4,000,000	4,000,000	56,58	Renewal	1		3			
Public Works	Water & Sanitation	Cathodic Survey of Main Pipelines	710039	1	600,000	3,000,000	4,000,000	3,38,40,43,60,65,67	Renewal	1		3			
Public Works	Water & Sanitation	Installation: Bulk Meters and Loggers at Reservoirs	710054	1	0	0	1,000,000	41,57,59,65,67,70	New	1		3			
Public Works	Water & Sanitation	Upgrading of Pump Stations	710307	1	0	0	500,000	65,57	Renewal	1		3			
Public Works	Water & Sanitation	Soshanguve Bulk Pipeline Replacement	710308	1	8,500,000	0	0	19,20,26,29,33,35	Renewal	1		3			
Public Works	Water & Sanitation	Extension: Sunderland Ridge Waste W/Treat. Plant	710364	1	11,000,000	32,000,000	91,000,000	47,48,61,56,66,69,70	New	1		3			
Public Works	Water & Sanitation	Upgrading Water Networks: Greater Temba	710390	1	21,500,000	2,000,000	0	8,76	New	1		3			
Public Works	Water & Sanitation	Upgrading Water Networks: Greater Temba	710390	5	9,000,000	5,000,000	0	76	New	1		3			
Public Works	Water & Sanitation	Mabopane/W/Veldt Water Networks Refurbishment	710391	1	2,500,000	2,500,000	10,000,000	20,21	New	1		3			
Public Works	Water & Sanitation	Mabopane/W/Veldt Water Networks Refurbishment	710391	5	6,000,000	5,000,000	0	20,22	New	1		3			

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Water & Sanitation	Garankuwa Water Networks Refurbishment	710392	1	2,500,000	2,500,000	10,000,000	32	New	1		3			
Public Works	Water & Sanitation	Garankuwa Water Networks Refurbishment	710392	5	6,000,000	5,000,000	0	32	New	1		3			
Public Works	Water & Sanitation	Kopanong Bulk Water/Sewer	710393	1	2,576,800	0	0	20	New	1		3			
Public Works	Water & Sanitation	Replacement, Upgrade, Construct Wwtw Facilities	710411	1	6,800,000	6,800,000	6,800,000	Tshwane Wide.3,5,6,22,26,37,49,70,74,75	Renewal	1		3			
Public Works	Water & Sanitation	Telemetry of Reservoirs	710555	1	500,000	1,000,000	2,000,000	4,6,37,26,27,33,34,35,36,43,61,64,67,43	Renewal	1		3			
Public Works	Water & Sanitation	Mandela Village Sewer Network	710753	1	11,700,000	0	0	73	New	1		3			
Public Works	Water & Sanitation	Mandela Village Sewer Network	710753	5	5,400,000	0	0	73	New	1		3			
Public Works	Water & Sanitation	Refurbishing of Water Networks and Backlog Eradication	710878	1	158,950,000	266,100,000	13,200,000	73,75,74,76,8,14,13,25,24,9,12,11,26,27,21,22,20,33, 34,35,36,37,39,4,64	New	1		3			
Public Works	Water & Sanitation	Refurbishing of Water Networks and Backlog Eradication	710878	5	93,600,000	35,263,000	130,000,000	73,75,74,76,8,14,13,25,24,9,12,11,26,27,21,22,20,33, 34,35,36,37,39,4,64	New	1		3			
Public Works	Water & Sanitation	Mamelodi R5 Link to Garsfontein	711328	1	10,070,000	0	0	10,17,40	New	1		3			
Public Works	Water & Sanitation	Pipe Reinforcement Klipgat/Mabopane/Winterfeld	711331	1	9,900,000	0	0	9,12,24	Renewal	1		3			
Public Works	Water & Sanitation	Pipe Reinforcement Klipgat/Mabopane/Winterfeld	711331	3	1,750,000	0	0	9,12,24	Renewal	1		3			
Public Works	Water & Sanitation	K/Kruisfontein Phase 3 Bulk Water Supply Resev.	711332	1	32,000,000	5,000,000	0	37,39	New	1		3			
Public Works	Water & Sanitation	K/Kruisfontein Phase 3 Bulk Water Supply Resev.	711332	5	9,000,000	0	0	37,39	New	1		3			
Public Works	Water & Sanitation	Replacement and Upgrading: Redundant Bulk Pipeline Infrastructure	711335	1	73,150,000	42,420,000	65,000,000	1,40,41,43,52,53,54,56,58	Renewal	1		3			
Public Works	Water & Sanitation	Extension Klapperkop Main Outflow	711338	1	3,000,000	0	0	59,58,56	New	1		3			
Public Works	Water & Sanitation	Klapperkop Muckleneuk Pipe Link	711339	1	1,000,000	0	0	1,58,60	New	1		3			
Public Works	Water & Sanitation	Klapperkop Heights Pipe Reinforcement	711340	1	5,000,000	0	0	57,59	New	1		3			
Public Works	Water & Sanitation	Interconnection: Laudum/Erasmia Feeder P/Lines	711342	1	9,000,000	0	0	61	New	1		3			
Public Works	Water & Sanitation	Monument Park Reservoir, Pipes Ext	711343	1	3,500,000	500,000	7,000,000	59	New	1		3			
Public Works	Water & Sanitation	Valhalla Reservoir, Pipes Ext	711344	1	11,500,000	0	0	66	New	1		3			
Public Works	Water & Sanitation	Garsfontein Pipe Reinforcement	711345	1	16,600,000	11,800,000	0	5,6,28,38,40,41,42,43,44,45,46,47,52,53,54,56,67	New	1		3			
Public Works	Water & Sanitation	Replacement Heights: Hercules Bulk Main. Syst.	711347	1	0	500,000	3,000,000	3	New	1		3			
Public Works	Water & Sanitation	Replacement of Sewers	711404	1	6,000,000	10,000,000	10,000,000	48,57,61,64,65,66,69,70	Renewal	1		3			
Public Works	Water & Sanitation	Water Connections: Soshanguve New Pipes	711410	1	2,500,000	3,000,000	4,000,000	11,19,20,21,26,27,33,34,35,36,37,39	New	1		3			
Public Works	Water & Sanitation	Water Networks: Ramotse/Morokolong	711533	1	5,900,000	0	0	73	New	1		3			
Public Works	Water & Sanitation	Water Networks: Ramotse/Morokolong	711533	5	21,100,000	5,000,000	0	73	New	1		3			
Public Works	Water & Sanitation	Reduction Water Losses: Water Networks	711542	1	2,000,000	3,000,000	4,000,000	Tshwane Wide 1 to 76	Renewal	1		3			
Public Works	Water & Sanitation	Sewer Networks Soshanguve block TT and TT Extension	711756	1	1,000,000	0	0	39	New	1		3			
Public Works	Water & Sanitation	Relocation: Water Meters and Network Refurbishment Mabopane/Ga-Nikuwa	711895	1	2,000,000	4,000,000	0	31	Renewal	1		3			
Public Works	Water & Sanitation	Purification Plant Upgrades	711921	1	21,250,000	12,150,000	4,280,000	2,5,8,42,45,46,47,49,50,73,74,75,76,100	Renewal	1		3			
Public Works	Water & Sanitation	Moreletaspruit: Outfall Sewer	712121	1	45,000,000	30,000,000	30,000,000	41,42,43,44,45,46,47,52	New	1		3			
Public Works	Water & Sanitation	Re-establishment of Wwc Ops Depots	712123	1	0	0	9,000,000	4,11,12,19,20,21,22,25,26,27,29,30,31,32,33,34,35,36,37,39,49,73,74,75	New	1		3			

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Water & Sanitation	Construction of New Water Depots	712124	1	0	0	11,000,000	4,11,12,19,20,21,22,25,26,27,29,30,31,32,33,34,35,36,37,39,49,73,74,75	New	1		3			
Public Works	Water & Sanitation	Extension of Zeekoegat Wwtw	712125	1	4,500,000	47,000,000	156,000,000	5,43,52,41,40,42,56,44,57,46,45,47	New	1		3			
Public Works	Water & Sanitation	Extension of Temba Wwtw	712126	1	4,000,000	20,000,000	60,000,000	74,49,73,75,76,8	New	1		3			
Public Works	Water & Sanitation	Extension of Temba Wwtw	712126	5	5,000,000	30,000,000	10,000,000	22,30,12,9,29,19,35,20,36,33,49,31,32,20	New	1		3			
Public Works	Water & Sanitation	Extension of Klipgat Wwtw	712127	1	0	0	5,000,000	20,12,21,19,29,26,27,33,34,35	New	1		3			
Public Works	Water & Sanitation	Extension of Rooiwal Wwtw	712128	1	4,300,000	32,500,000	25,000,000	49,5,50,53,56,52,50,54,1,60,58,59,66,61,7,72,71,68,62,51,63,7,55,2,4	New	1		3			
Public Works	Water & Sanitation	Sekampaneng Reservoir	712129	1	5,000,000	0	0	8,74	New	1		3			
Public Works	Water & Sanitation	Sekampaneng Reservoir	712129	5	3,400,000	5,000,000	0	8,74	New	1		3			
Public Works	Water & Sanitation	Blk - Individual Res - Clifton/Dommesse	712133	1	2,000,000	4,500,000	3,000,000	69	New	1		3			
Public Works	Water & Sanitation	Blk - Individual Res - Heuwelood	712135	1	12,100,000	1,000,000	0	48,70	New	1		3			
Public Works	Water & Sanitation	Blk - Individual Res - Pretoriusrand	712137	1	0	0	500,000	48	New	1		3			
Public Works	Water & Sanitation	Blk - Individual Res - Waterkloof Ridge X2	712141	1	200,000	0	0	42,59	New	1		3			
Public Works	Water & Sanitation	Blk + Reservoir - Babelegi	712142	1	0	0	14,000,000	73	New	1		3			
Public Works	Water & Sanitation	Blk + Reservoir - Babelegi	712142	5	1,200,000	16,000,000	0	73	New	1		3			
Public Works	Water & Sanitation	Blk + Reservoir - Babelegi	712142	3	520,000	0	0	73	New	1		3			
Public Works	Water & Sanitation	Relining/Upgrading of Reservoirs	712143	1	0	0	500,000	8,48,47,49,44	Renewal	1		3			
Public Works	Water & Sanitation	Rietvlei Dam Repairs/Safety	712145	1	0	3,000,000	10,000,000	47	New	1		3			
Public Works	Water & Sanitation	Upgrading of Pump Stations	712147	1	4,000,000	17,200,000	16,500,000	42,45,47,65,69	New	1		3			
Public Works	Water & Sanitation	Pierre Van Ryneveld Reservoir/Pipes	712150	1	2,000,000	12,000,000	10,000,000	47	New	1		3			
Public Works	Water & Sanitation	Replacement of Reservoir Fencing	712151	1	0	0	1,000,000	53,59	New	1		3			
Public Works	Water & Sanitation	Hennops River Waste Water Treatment Works	712525	1	0	0	10,500,000	48,7	New	1		3			
Public Works	Water & Sanitation	Extensions of Baviaanspoort Waste Water Treatment Works	712526	1	1,000,000	15,000,000	3,000,000	10,17,16,18,15,23,28,6,76,38,40	Renewal	1		3			
Public Works	Water & Sanitation	Extensions of Baviaanspoort Waste Water Treatment Works	712526	5	0	0	15,000,000	10,17,16,18,15,23,28,6,76,38,40	Renewal	1		3			
Public Works	Water & Sanitation	Network Upgrading in the Centurion Area	712527	1	3,000,000	3,000,000	10,000,000	64,65,69,70,57,66,61,48	Renewal	1		3			
Public Works	Water & Sanitation	Network Upgrading in the Moot Area	712528	1	2,000,000	6,000,000	3,000,000	53,54,52,1,58,55	Renewal	1		3			
Public Works	Water & Sanitation	Reservoir Extensions	712534	1	4,800,000	41,200,000	65,000,000	2	New	1		3			
Public Works	Water & Sanitation	ODI Bulk Infrastructure	712535	1	0	500,000	2,000,000	19,21,26,27,29,34	New	1		3			
Public Works	Water & Sanitation	Network Upgrade in the Rosslyn Area	712594	1	2,000,000	2,000,000	0	4	New	1		3			
Public Works	Water & Sanitation	Network Upgrading in Akasia	712595	1	0	1,000,000	2,000,000	4,2	New	1		3			
Public Works	Water & Sanitation	Network Upgrade in the CBD and Pta West	712596	1	3,000,000	2,000,000	4,000,000	59,58,60,3,55,1,7,51,62,63,68,71	New	1		3			
Public Works	Water & Sanitation	Network Upgrade in Rooiwal	712597	1	0	1,200,000	1,500,000	49	New	1		3			
Public Works	Water & Sanitation	Network Upgrade in Pta East	712598	1	0	4,000,000	5,000,000	47,45,44,46,42,56,40,41,43,38,28,67,6,23,18,15,16,17,10	New	1		3			
Public Works	Water & Sanitation	Ward Based Project: Water & Sanitation	712618	1	9,475,000	7,725,000	9,975,000	8,9,12,14,19,20,21,22,24,30,31,32,40 (Nelmapius Part),43,48,73,74,75,76	New	1					

Strategic Unit	Division	Project Name	Project Number	Fund	Budget 2008/09	Budget 2009/10	Budget 2010/11	Wards	New or Renewal	Strategic Objectives					2010
										1	2	3	4	5	
Public Works	Water & Sanitation	Pipe Reinforcement Doornpoort	712735	1	0	0	500,000	5	New	1		3			
Public Works	Water & Sanitation	Capital Funded from Operating	712762	7	899,900	0	0	Tshwane Wide	New	1					
Public Works: Water & Sanitation	Subtotal				773,241,700	825,358,000	960,755,000								
Public Works	Total				2,350,635,605	2,302,937,100	2,638,792,050								
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Stanza Bopape Library	710102	1	0	4,000,000	8,000,000	16	New			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Upgrading Temba Community Library	710103	1	2,000,000	0	0	75	Renewal			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Mabopane Library (Od)	710104	1	0	4,000,000	8,000,000	21	New			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Upgrading of the Soshanguve Giant Stadium	710690	1	148,653,000	35,133,000	0	33	Renewal			3			X
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Upgrading of the Soshanguve Giant Stadium	710690	5	8,000,000	40,000,000	0	33	Renewal			3			X
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Completion of Temba Stadium	710691	1	2,000,000	2,000,000	0	1	Renewal			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Completion of Temba Stadium	710691	3	1,500,000	0	0	75	Renewal			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Atteridgeville Super Stadium	710713	1	10,000,000	0	0	62	New			3			X
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Atteridgeville Super Stadium	710713	5	14,000,000	0	0	62	Renewal			3			X
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Olievenhoutbosch Multi-Purpose Sport	711432	1	0	0	4,000,000	48	New			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Hikraal Multip. Sport & Rec Centre	711433	1	0	4,000,000	0	73	Renewal			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Hikraal Multip. Sport & Rec Centre	711433	5	2,000,000	10,000,000	0	73	Renewal			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Solomon Mahlangu Freedom Square - Cultural Centre	711439	1	0	4,000,000	6,000,000	38	Renewal			3			X
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Lotus Gardens Multi-Purpose Sport Facility	712260	1	0	0	5,000,000	7	New			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Hammankraal Cultural Centre	712397	1	0	3,000,000	7,000,000	73	New			3			X
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Suurman Multi-purpose Community Hall	712440	1	1,200,000	0	0	8	New			3			
Sport & Recreation	Sport, Rec, Library, Arts & Culture	Mabopane Golf Project	712606	3	3,000,000	0	0	22	New			3			
Sport & Recreation	Total				192,353,000	106,133,000	38,000,000								
Capital Budget	Total				3,161,765,178	3,017,313,088	3,288,848,038								

Fundingsource codes:

- 1 - Council Funding
- 2 - Public Transport Infrastructure and Systems Grant (PTIS)
- 3 - Grants & Subsidies
- 4 - Government Housing Grant
- 5 - Municipal Infrastructure Grant (MIG)
- 6 - National Electricity Grant
- 7 - Capital Replacement Reserve

List Of Abbreviations

5YP	Five Year Programme
A	
AADD	Annual Average Daily Demand
AIDS	Acquired Immune Deficiency Syndrome
AQMP	Air Quality Management Plan
ASD	Alternative Service Delivery
ASGISA	Accelerated and Shared Growth Initiative
AMR	Automatic Meter Reading
B	
BBBEE	Broad Based Black Economic Empowerment
BAC	Business Against Crime
BEE	Black Economic Empowerment
C	
CBD	Central Business District
CDS	City Development Strategy
CDW	Community Development Workers
CPTR	Current Public Transport Record
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
CoT	City of Tshwane
CPF	Community Policing Forums
CSP	Comprehensive Service Plans
CTMM	City of Tshwane Metropolitan Municipality
CCTV	Closed Circuit Television
CPIX	Consumer Price Index
D	
DBSA	Development Bank of South Africa
DDPLG	Department Development Planning and Local Government
DKPA	Departmental Key Performance Area
DLG	Department of Local Government
DME	Department of Mineral and Energy
DoRA	Division of Revenue Act
DRC	Democratic Republic of Congo
DWAF	Department of Water Affairs and Forestry
DRM	Disaster Risk Management
E	
EAP	Economic Active Population
ECD	Early Childhood Development
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
EDL	Essential Drug List
ESKOM	Electricity Supply Commission
ED	Executive Director
F	
FDI	Foreign Direct Investment
FET	Further Education Training
FMG	Financial Management Grant
G	
GAMAP	General Accepted Municipal Accounting Policies

GAUTRANS	Gauteng Department of Public Transport, Roads and Works
GCR	Globally Competitive Region
GDACE	Gauteng Department of Agriculture, Conservation and Environment
GDoH	Gauteng Department of Health
GDS	Gauteng Growth and Development Strategy
GEAR	Growth, Employment and Redistribution Strategy
GIDP	Gauteng Integrated Development Plan
GIS	Geographical Information Systems
GPG	Gauteng Provincial Government
GRAP	Generally Recognised Accounting Practices
GSDP	Gauteng Spatial Development Perspective
GTMA	Gauteng Transport Management Authority
GVA	Gross Value Added
GPS	Global Positioning System
GEP	Gauteng Enterprise Propeller
H	
HCEM	Housing, City Planning and Environmental Management
HCT	Housing Company Tshwane
HDI	Human Development Index
HDP	Human Development Policy
HIV	Human Immunodeficiency Virus
HRD	Human Resources Development
HRDS	Human Resources Development Strategy
HSRC	Human Sciences Research Council
I	
ICD	Integrated Community Development
ICT	Information Communication and Technology
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IMF	Infrastructure Maintenance Framework
IPIP	Infrastructure Programme Implementation Plan
IRPS	International Relations, Peace and Security
ITP	Integrated Transport Plan
IMQS	Infrastructure Management Query Station
J	
JCPS	Justice, Crime Prevention and Security
JIA	Johannesburg International Airport
K	
KPA	Key Performance Areas
KPI	Key Performance Indicators
L	
LED	Local Economic Development
LTFS	Long Term Financial Strategy
LGMSA	Local Government Municipal Systems Act
M	
MCDC	Mabopane Centurion Development Corridor
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MIG	Municipal Infrastructure Grant
MIIIF	Municipal Infrastructure Investment Framework
MMC	Member of the Mayoral Committee
MOU	Memorandum of Understanding

MSA	Municipal Systems Act
MSCMP	Municipal Supply Chain Management Policy
MSDF	Metropolitan Spatial Development Framework
MTBC	Medium Term Budget Committee
MTREF	Medium Term Revenue and Expenditure Framework
MSD	Military Skills Development
MSIG	Municipal Systems Improvement Grant
MYPD	Multi Year Price Determination
MDRMF	Municipal Disaster Risk Management Policy Framework
MDMC	Metropolitan Disaster Management Centre
MHDP	Municipal Housing Development Plan
MPRA	Municipal Property Rates Act
N	
NDoT	National Department of Transport
NDPG	Neighbourhood Development Partnership Grant
NEMA	National Environmental Management Act
NEPAD	New Partnership for Africa's Development
NERSA	National Electricity Regulator of South Africa
NIPF	National Industrial Policy Framework
NKPI	National Key Performance Indicators
N1	National Route 1
N4	National Route 4
NSDP	National Spatial Development Perspective
NPA	National Prosecuting Authority
NDMF	National Disaster Management Framework
NPO	Not-For Profit Organization
O	
OHSA	Occupational Health and Safety Act
OITPS	One Integrated Transaction Processing System
OVC	Orphans and Vulnerable Children
P	
PAF	Policy Alignment Framework
PMS	Performance Management System
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
PT	Public Transport
PHC	Primary Health Care
PDP	Peace and Development Project
PWD	People Living With Disability
PTIS	Public Transport Infrastructure and Systems Grant
R	
RDP	Reconstruction and Development Programme
RED	Regional Electricity Distributor
RMICS	Risk Management Information and Control Systems
RSC	Regional Services Council
R21	Regional Route 21
RSDF	Regional Spatial Development Framework
S	
SADC	South African Development Community
SALGA	South African Local Government Association
SALGBC	South African Local Government Bargaining Council
SANDF	South African National Defense Force
SARS	South African Revenue Service

SCMP	Supply Chain Management Policy
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEO	Strategic Executive Officer
SETA	Sector Education and Training Authorities
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SPTN	Strategic Public Transport Network
SPU	Special Project Unit
STDP	Strategic Tourism Development Plan
SWC	Soccer World Cup
STI	Sexually Transmitted Infection
SEDA	Small Enterprise Development Agency
SAPS	South African Police Service
SAFA	Southern African Football Association
SED	Strategic Executive Director
T	
T20T	Top 20 Townships Programme
TB	Tuberculosis
TDA	Tshwane Development Agency
TEDA	Tshwane Economic Development Agency
TGDS	Tshwane Growth and Development Strategy
TIDP	Tshwane Integrated Development Plan
TIEP	Tshwane Integrated Environmental Policy
TMPD	Tshwane Metropolitan Police Department
TMPS	Tshwane Metropolitan Police Service
TOSF	Tshwane Open Space Framework
TPMS	Tshwane Performance Management System
TSDS	Tshwane Spatial Development Strategy
TTA	Tshwane Transport Authority
TETRA	Terrestrial Trunk Radio
TBSA	Tshwane Business Support Agencies
U	
UYF	Umsobomvu Youth Fund
W	
WBA	Wonderboom Airport
WTW	Water Treatment Works
WWTP	Waste Water Treatment Plant
Z	
ZOC	Zone of Choice