

ANNEXURE A

CITY OF CAPE TOWN

DRAFT BUDGET

For the financial period
2013/14 to 2015/16

MARCH 2013

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GLOSSARY OF TERMS AND ABBREVIATIONS

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

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

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

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

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

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

CoCT – City of Cape Town

CPI – Headline Consumer Price Index

DMTN – Domestic Medium Term Note

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

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

Executive Management Team (EMT) - A team comprising the City Manager and the Executive Directors and Chief Audit Executive. It reports to the City Manager.

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

GDFI - Gross Domestic Fixed Investment

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

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

KPI – Key Performance Indicators. Measures of service output and/or outcome.

MAYCO – Mayoral Committee

MBRR – Municipal Budget Reporting Regulations

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

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

MYPD – Multi Year Price Determination

NT – National Treasury

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

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

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

TMA – Total Municipal Account

SCM - Supply Chain Management

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

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

Sub councils - The metropolitan area governed by the City is divided into sub councils, each of which is made up of a number of wards. There are a total of 105 wards, each of which is represented by a councillor. A ward is, in turn, made up of a number of suburbs.

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

Part 1 - Annual Budget

1.1 Council Resolutions

The 2013/14 MTREF Budget Resolutions recommend that:

1. The City's annual budget for the financial year 2013/14; and indicative allocations for the two projected outer years 2014/15 and 2015/16 and related policies, as tabled, be noted and made available for public comment, as set out in the following schedules and annexures:
 - a. Operating expenditure by standard classification reflected in Table 22.
 - b. Operating expenditure by vote reflected in Table 23.
 - c. Operating revenue by source reflected in Table 25.
 - d. Multi-year capital appropriations by vote reflected in Annexure 1 and Table 82.
 - e. Capital expenditure by standard classification reflected in Table 26.
 - f. Capital funding by source reflected in Table 26.
 - g. Budgeted Cash Flow statement as reflected in Table 28.
 - h. Salaries and Benefits of Political Office Bearers, Councillors and Senior Officials as reflected in Table 52 and Table 53 .
 - i. Performance Indicators and benchmarks for 2013/14 as set out in Table 35.
 - j. Draft Property Rates as set out in Annexure 2.
 - k. Draft Special Rating Areas (SRA) Policy and Special Rating Areas Additional Rates (including City Improvement Districts) as set out in Annexure 3.
 - l. Revised Consumptive Tariffs, Rates and Basic Charges for Electricity Services, Water Services and Waste Management Services as set out in Annexure 4.
 - m. Draft Tariffs, Fees and Charges Book incorporating miscellaneous tariffs, charges, rates and levies for 2013/14 and Special Rating Areas Additional Rates as set out in Annexure 6.
 - n. Draft Rates Policy as set out in Annexure 5.
 - o. Draft Tariff Policies as set out in Annexure 7.
 - p. Draft Credit Control and Debt Collection Policy as set out in Annexure 8.
 - q. Draft Grants Policy as set out in Annexure 9.
 - r. Integrated Development Plan as set out in Annexure 10.
 - s. Budgets for Municipal Entities reflected in Table 85 and Table 86.
 - t. Grants, Subsidies and Contributions to external entities in 2013/14 as set out in Annexure 11.
 - u. Operating and Capital ward allocation projects supported by sub councils as set out in Annexure 12.
 - v. Draft Long Term Financial Plan Policy as set out in Annexure 14.
 - w. Draft Budget Management and Oversight Policy as set out in Annexure 15.
 - x. Draft Unforeseen and Unavoidable Expenditure Policy as set out in Annexure 16.
 - y. Draft Policy Governing Adjustment Budgets as set out in Annexure 17.
 - z. Draft Policy Governing Planning and Approval of Capital Projects as set out in Annexure 18.
 - aa. Draft Fare Policy for Contracted, Road-Based Public Transport as set out in Annexure 19.
 - bb. Amended Virement Policy as set out in Annexure 20.
 - cc. Overview of Budget Assumptions applied to the 2013/14-2015/16 MTREF required to be included in Annexure 10 (Integrated Development Plan) as set out in Annexure 21.
 - dd. Individual projects with a total projected cost in excess of R50 million having future budgetary implications (to give effect to Section 19(1)(b) of the MFMA) as reflected in Table 77.

- ee. Iconic and Other Events to be hosted by the City in the 2013/14 financial year as set out in Annexure 22.
2. The National Treasury Circulars 66 and 67 (“Municipal Budget Circular for the 2013/14 MTREF”) as set out in Annexure 13 is annexed to this report for noting.

1.2 Executive Summary

a. General

The total budget quantum for the 2013/14 year is R31 725 million, of which R26 308 million (82.93%) is allocated to the Operating Budget and R5 417 million (17.07%) to the Capital Budget.

b. Operating Budget

Expenditure

Total Operating expenditure has increased from R24 362 million in 2012/13 to R26 308 million in 2013/14. This 7.99% rise is primarily the result of increases in several City expenditure components, examples of which are noted in the table below:

Table 1 Year-on-year growth of expenditure components

Category	Budget 2012/13	Budget 2013/14	Year on year
R Thousand			
Employee related costs	7 777 521	8 227 256	5.78%
Remuneration of councillors	122 384	123 721	1.09%
Debt impairment	991 026	995 068	0.41%
Depreciation & asset impairment	1 444 096	1 934 741	33.98%
Finance charges	768 508	863 894	12.41%
Bulk purchases	6 441 273	6 898 881	7.10%
Other materials	396 540	358 573	-9.57%
Contracted services	2 579 846	3 209 625	24.41%
Transfers and grants	50 606	44 448	-12.17%
Other expenditure	3 790 624	3 651 802	-3.66%
Loss on disposal of PPE	-	-	-
Total Expenditure	24 362 425	26 308 008	7.99%

Reasons for significant increases:

Depreciation – The increase is mainly due to the revised depreciation calculation, which is now based on a 100% capital spend, as opposed to 95% in 2012/13. In addition, multi-year projects, which were previously capitalised in the final year of the budget, is now capitalised when the asset is commissioned. Furthermore, moveable assets are depreciated in the same year as commissioned, based on full budget spending and a detailed its assessment of each project is now performed to evaluate asset life span before calculation for the actual budget.

Contracted Services – This allocation includes provision for Repairs & Maintenance and allocations for IRT vehicle operator contracts.

Transfers and Grants – The decrease is due to unallocated funds for a number of applications of various beneficiaries, still to be considered by the Grant Committee.

Other Materials – Reduced allocation due to budgetary alignment of repairs and maintenance from this category to contracted services within Corporate Services.

Table 2 Year-on-year growth on Staff Cost

Category	Budget 2012/13	Budget 2013/14	Year on year
R Thousand			
Vote 1 - City Health	500 201	563 466	12.65%
Vote 2 - City Manager	15 091	2 639	-82.51%
Vote 3 - Community Services	784 183	831 689	6.06%
Vote 4 - Corporate Services	890 526	646 079	-27.45%
Vote 5 - Deputy City Manager	291 162	333 319	14.48%
Vote 6 - Economic, Environment & Spatial Planning	330 566	368 226	11.39%
Vote 7 - Finance	550 059	594 164	8.02%
Vote 8 - Human Settlements	279 738	293 129	4.79%
Vote 9 - Rates & Other	-	109 340	-
Vote 10 - Safety & Security	1 163 246	1 254 457	7.84%
Vote 11 - Social and Early Childhood Development	32 346	38 723	19.71%
Vote 12 - Tourism, Events and Marketing	68 224	84 032	23.17%
Vote 13 - Transport, Roads and Stormwater	499 560	533 863	6.87%
Vote 14 - Utility Services	2 372 617	2 574 131	8.49%
Total staff costs	7 777 521	8 227 256	5.78%

Reasons for significant staff cost variances:

Staff costs increased from R7 777 million in 2012/13 to R8 227 million in 2013/14. The 2013/14 cost of living increase is 8.84% (2% notch increment + 6.84% per salary/wage award formula calculation), while the year-on-year growth is 5.78%. This is mainly due to a review of all staff vacancies in order to attain a balanced and sustainable budget. Vacancies were delimited from the City’s post structure within the Rate-funded services and retained in exceptional circumstances only. The reduction in staff vacancies was utilised to redress the imbalances within the Rate-funded services only.

Increased allocations within Health, Transport, Roads & Stormwater and Community Services include externally-funded positions as well as the provision for additional support staff for Mayco members and the Executive Mayor within the Deputy City Manager directorate.

Significant reductions within Corporate Services and Office of the City Manager are due to the centralised provision of Post-Retirement Medical Aid to Rates & Other as well as previously displaced staff, which is now assigned to other functional areas (Social & Early Childhood Development).

Revenue

Operating revenue increases from R23 901 million to R26 064 million in 2013/14.

This 9.05% growth in revenue is mainly as a result of:

- An increase on Transfers Recognised in respect of
 - National Equitable Share from 1 090 million in 2012/13 to R1 243 million in 2013/14.
 - Rental of Facilities & Equipment increase from R278 million to R336 million, resulting from the increased marketing of facilities which in turn resulted in a higher rate of usage of facilities such as halls, stadiums, museums etc.
 - Interest Earned on External Investments increase from R244 million to R284 million, due to the City's projected favourable cash position.
- Projected organic growth and tariff increases on property rates and services charges (water, electricity and refuse).

Table 3 Year-on-year growth on Revenue categories

Category	Budget 2012/13	Budget 2013/14	Year on year
R Thousand			
Property Rates tax	5 030 753	5 427 388	7.88%
Property rates - Penalties & Collection Charges	93 546	99 720	6.60%
Service charges - Electricity	8 971 405	9 668 405	7.77%
Service charges - Water	2 106 357	2 343 850	11.28%
Service charges - Sanitation	1 127 122	1 243 019	10.28%
Service charges – Refuse	896 924	951 786	6.12%
Service charges – Other	237 231	240 280	1.29%
Rental of facilities and equipment	278 754	336 179	20.60%
Interest earned - external investments	244 439	284 618	16.44%
Interest earned - outstanding debtors	236 797	247 448	4.50%
Fines	160 917	181 659	12.89%
Licences and Permits	33 121	35 601	7.49%
Agency Services	115 993	121 993	5.17%
Transfers Recognised – Operational	2 325 525	2 637 300	13.41%
Other Revenue	1 973 772	2 175 802	10.24%
Gains on Disposal of PPE	69 000	69 000	0.00%
Total Revenue	23 901 656	26 064 049	9.05%

Individual service tariffs / Rates

The proposed tariff increases in the table below are averages; i.e. some clients may pay more and others less than the average.

Table 4 Average Tariff increases for 2013/14, 2014/15 and 2015/16

Category	2013/14 %	2014/15 %	2015/16 %
Rates	6.10	6.00	6.00
Refuse	6.32	5.54	8.03
Disposal	7.06	9.52	8.44
Sanitation	9.53	9.58	10.00
Water	9.53	9.58	10.00
Electricity	7.86	9.92	9.26

Rates

Property rates are based on values of the new General Valuation Roll 2012 (GV) with the date of valuation being 1 July 2012. The Roll will be updated for properties affected by land sub-divisions,

alterations to buildings, demolitions and new buildings (improvements), through Supplemental Valuation Rolls.

Accordingly the rates levied per individual property will depend on the amendment to that property's change in value compared with the average change to all the properties. The total amount of rates included in the budget is 7.1% more than for the 2012/13 financial year and takes into account natural growth. Rebates and concessions are granted to certain categories of property usage and/or property owner. The definitions and listing of categories are reflected in the Draft Rates Policy attached as Annexure 5.

Water and Sanitation

There is a proposed 9.53% increase in consumptive water and sanitation tariffs. The Bulk Water tariff has been increased by 6.4%. The tariff increases are necessary to address essential operational requirements, maintenance of existing infrastructure, new infrastructure provision and to ensure the financial sustainability of the service. Such increases are also in accordance with guidelines established in the Medium Term Revenue and Expenditure Framework.

Solid Waste

The Solid Waste Tariffs are levied to recover costs of services provided directly to customers and include refuse collection fees, disposal fees, compost sales, weighbridge fees and other ad hoc services. It is proposed that the Collections Tariffs (Consumptive and Sundry) increase by 6.32%, Disposal by 7.06% & Cleaning by 5.6%.

Electricity

At the time of writing, NERSA have not yet issued a definitive guideline for municipal increases, although Eskom have released a schedule of standard prices for 2013/14. Based on the above the bulk purchase increase to the City is calculated at 6% and the tariffs tabled with this report are based thereon. It should also be noted that any changes to the above guidelines may require further changes during the public participation process, with the final tariffs and structures being tabled for final approval in May this year.

c. Capital Budget

The Capital Budget decreases from R5 927 million in 2012/13 (original budget) to R5 417 million in 2013/14 or an overall reduction of 8.6%.

Table 5 Year on year decrease in capital funding sources

Category	Budget 2012/13	Budget 2013/14	Increase / (Decrease)
R Thousand			
Capital Grants & Donations	3 334 829	2 520 837	(813 992)
Capital Replacement Reserve	808 169	684 986	(123 183)
External Financing Fund	1 765 377	2 193 893	428 516
Revenue	18 236	16 968	(1 268)
Total	5 926 611	5 416 684	(509 927)

The table above reflects a decrease of R814 million on Capital Grants & Donations, which in 2012/13 included an approved roll-over from 2011/12 of R1.1 billion for Public Transport Infrastructure & Systems Grant.

The main contributors to the increase in EFF provisions relate to the re-phasing of projects from 2012/13 to 2013/14, as well as additional requirements for the Pressure Management, Treated Effluent Re-use and Meter Replacement Program projects within Water Services. Additional initiatives aligned to the IDP were also highlighted by directorates across the City during the budget process i.e. accelerated Broadband project spend, Replacement of the oldest fleet vehicles and additional funding to the Safety & Security directorate.

Major capital expenditure is planned in the following areas during 2013/14:

- Utility Services → R2 704 million
- Transport, Roads and Stormwater → R1 382 million
- Corporate Services → R264 million

The most significant projects are in:

- Cape Town Electricity
 - Athlone- Philippi: Overhead Line Undergrounding → R66 million
 - Backyarders → R37.5 million
 - City Depot – Relocation → R64 million
 - Electrification → R127 million
 - Facilities Alterations & Upgrading → R150 million
 - Koeberg Rd Switching Station Phase 2 → R90 million
 - Platteklouf - N1 Reinforcement → R5 million
 - Steenbras Rehabilitation/Upgrade → R33 million
 - System Equipment Replacement → R130 million
 - System Infrastructure → R105.7 million
 - Training School – Brackenfell → R60 million
 - MV Switchgear Refurbishment → R77.6 million
 - Connections Infrastructure → R43.7 million
 - Service Connections → R33 million
- Solid Waste Management
 - New Landfill Site Infrastructure → R25 million
 - New Transfer Station Infrastructure → R105 million
 - Replacement: Plant & Vehicles → R63.6 million
 - Solid Waste Management Infrastructure → R50 million
 - Upgrading facilities → R13.5 million
- Water & Sanitation
 - Bulk Water Augmentation Scheme → R31.5 million
 - Completion of Cape Flats III Bulk Sewer → R38 million
 - Development of Additional Infrastructure → R26.6 million
 - Meter Replacement Programme → R75 million
 - New Head Office → R70 million
 - Northern Area Sewer Thornton → R90 million
 - Potsdam WWTW – Extension → R58.3 million
 - Replace & Upgrade Sewer Network (Citywide) → R59.5 million

- Replace & Upgrade Water Network (Citywide) → R78.6 million
- Zandvliet WWTW-Extension → R54 million
- Bulk Water Infrastructure Replacement → R20 million
- Treated Effluent: Re-use and Upgrades → R28.6 million
- Pressure Management → R20 million
- Transport, Roads and Stormwater
 - Bulk Roads & Stormwater for Housing Projects → R48 million
 - Construction of Broadway Blvd, Nomzamo/Lwandle → R18.9 million
 - Reconstruct Roads Metro → R33.5 million
 - Main Roads: Northern Corridor → R5.5 million
 - NMT Network & Universal Access → R60 million
 - Pedestrianisation - Low Income Areas → R20 million
 - Roads & Stormwater Rehabilitation → R114 million
 - Sir Lowry's Pass Village Road Upgrade → R2 million
 - Bellville: Public Transport Hub → R3 million
 - Inner City: Public Transport Hub → R10 million
 - Nolungile (Site C) Public Transport Interchange → R5 million
 - IRT Implementation → R521.8 million
 - IRT Operations → R328.2 million
- Corporate Services
 - Facilities Management Structural Rehabilitation → R39.5 million
 - Broadband → R87 million

Table 6 New projects (extract) in the 2013/14 draft Capital Budget

Project Description	Budget 2013/14
R Thousand	
Project and Portfolio Management	12 900
Bloemhof: Stores Upgrade	10 000
Blue Downs: Sub-Depot - Street Lighting	4 000
Durbanville Main Substation Upgrade Phase 2	3 120
Grassy Park Tapchanger Replacement	3 000
SCADA Master Station Upgrade	14 000
Steenbras: Replace Motor Generator Rotors & Plant Refurbishment	30 000
Telemetry Automation (Reticulation)	7 000
Zevenwacht Reservoir and Network	1 250
Parks Upgrades Manenberg	1 000
Valhalla Park Family Park (irrigation)	1 500
Synthetic Pitch - Cross Roads	5 000
Synthetic Pitch - Heideveld	5 000
Synthetic Pitch - Kewtown	5 000
Synthetic Pitch - Steenberg	5 000
Nomzamo Access Bridge & Public Transport Interchange	9 000
Sir Lowry's Pass Village Road Upgrade	2 000
Energy Efficiency and Demand Side Manage	6 820
2014 African Cup of Nations Equipment	3 000
Installation of additional Food & Beverage Kiosks at Cape Town Stadium	2 000
Completion of change rooms at Cape Town Stadium	2 000
Construction of Waste room at Cape Town Stadium	2 000
Installation of Electronic Advertising Boards at Cape Town Stadium	1 000
Upgrade of Generators Exhaust Extraction System	3 000
Provision of lifts for empty shafts at Cape Town Stadium	3 500
Temporary Distribution Boards for rental	1 000
Upgrade of Athlone Stadium	2 000
Construction of ECD centre - Nantes	3 000

1.3 Operating Revenue Framework

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

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

- National Treasury's guidelines and macro-economic policy;
- Projected City growth and continued economic development;
- Realistic revenue management, which provides for the achieving of the collection rate target;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Setting of trading services' user charges at levels which are reflective of these services' cost recovering nature;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's policies to assist the poor and rendering of free basic services; and
- Sundry tariff policies.

The following table is a summary of the 2013/14 MTREF (classified by main revenue source):

Table 7 Summary of Revenue classified by main revenue sources

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source									
Property rates	3 754 425	4 435 764	4 622 441	5 030 753	5 067 589	5 067 589	5 427 388	5 807 305	6 213 817
Property rates - penalties & collection charges	86 889	94 168	89 657	93 546	93 546	93 546	99 720	106 701	114 170
Service charges - electricity revenue	5 413 081	6 578 085	8 061 684	8 971 405	9 094 445	9 094 445	9 668 405	10 627 511	11 611 618
Service charges - water revenue	1 483 354	1 649 307	1 817 183	2 106 357	2 106 357	2 106 357	2 343 850	2 591 038	2 874 475
Service charges - sanitation revenue	801 003	903 204	1 002 897	1 127 122	1 127 122	1 127 122	1 243 019	1 374 779	1 526 005
Service charges - refuse revenue	614 451	754 178	813 287	896 924	905 638	905 638	951 786	1 021 113	1 117 769
Service charges - other	423 888	474 953	291 714	237 231	231 230	231 230	240 280	253 736	268 453
Rental of facilities and equipment	243 468	250 316	289 736	278 754	303 006	303 006	336 179	352 223	369 016
Interest earned - external investments	293 555	291 679	333 336	244 439	244 439	244 439	284 618	292 445	303 664
Interest earned - outstanding debtors	212 978	230 391	228 425	236 797	238 098	238 098	247 448	261 305	276 461
Fines	154 584	166 476	144 394	160 917	172 827	172 827	181 659	191 832	202 958
Licences and permits	33 054	37 645	41 471	33 121	33 121	33 121	35 601	37 595	39 775
Agency services	111 097	115 991	123 651	115 993	115 993	115 993	121 993	128 825	136 297
Transfers recognised - operational	1 194 162	1 400 627	1 639 075	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734
Other revenue	1 631 529	1 757 278	1 961 587	1 973 772	1 978 519	1 978 519	2 175 802	2 297 942	2 431 222
Gains on disposal of PPE	79 142	20 580	44 144	69 000	69 000	69 000	69 000	90 897	109 343
Total Revenue (excluding capital transfers and contributions)	16 530 661	19 160 643	21 504 683	23 901 656	23 951 546	23 951 546	26 064 049	28 101 001	30 689 776

Table 8 Revenue by source as a percentage of total budget

Description	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
R thousand								
Revenue By Source								
Property rates	5 067 589	21.2%	5 427 388	20.8%	5 807 305	20.7%	6 213 817	20.2%
Property rates - penalties & collection charges	93 546	0.4%	99 720	0.4%	106 701	0.4%	114 170	0.4%
Service charges - electricity revenue	9 094 445	38.0%	9 668 405	37.1%	10 627 511	37.8%	11 611 618	37.8%
Service charges - water revenue	2 106 357	8.8%	2 343 850	9.0%	2 591 038	9.2%	2 874 475	9.4%
Service charges - sanitation revenue	1 127 122	4.7%	1 243 019	4.8%	1 374 779	4.9%	1 526 005	5.0%
Service charges - refuse revenue	905 638	3.8%	951 786	3.7%	1 021 113	3.6%	1 117 769	3.6%
Service charges - other	231 230	1.0%	240 280	0.9%	253 736	0.9%	268 453	0.9%
Rental of facilities and equipment	303 006	1.3%	336 179	1.3%	352 223	1.3%	369 016	1.2%
Interest earned - external investments	244 439	1.0%	284 618	1.1%	292 445	1.0%	303 664	1.0%
Interest earned - outstanding debtors	238 098	1.0%	247 448	0.9%	261 305	0.9%	276 461	0.9%
Fines	172 827	0.7%	181 659	0.7%	191 832	0.7%	202 958	0.7%
Licences and permits	33 121	0.1%	35 601	0.1%	37 595	0.1%	39 775	0.1%
Agency services	115 993	0.5%	121 993	0.5%	128 825	0.5%	136 297	0.4%
Transfers recognised - operational	2 170 614	9.1%	2 637 300	10.1%	2 665 755	9.5%	3 094 734	10.1%
Other revenue	1 978 519	8.3%	2 175 802	8.3%	2 297 942	8.2%	2 431 222	7.9%
Gains on disposal of PPE	69 000	0.3%	69 000	0.3%	90 897	0.3%	109 343	0.4%
Total Revenue (excluding capital transfers and contributions)	23 951 546	100%	26 064 049	100%	28 101 001	100%	30 689 776	100%
Total Revenue from Rates & Service Charges	18 625 928	77.8%	19 974 449	76.6%	21 782 182	77.5%	23 726 306	77.3%

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

Rates and service charge revenues comprise 76.6 per cent of the City's total revenue mix for the 2013/14 financial year. In the 2012/13 financial year, revenue from rates and services charges totalled R18.6 billion. This increases to R19.9 billion, R21.8 billion and R23.7 billion in the respective financial years of the 2013/14 MTREF. The MTREF indicates a notable percentage reduction in the revenue generated from rates and services charges, which reduces from 77.8 per cent in 2012/13 to 77.3 per cent in 2015/16.

Property rates, including Penalties and Collection Charges, is the second largest revenue source in the 2013/14 financial year, totalling R5.5 billion (21.2% of revenue) and increasing to R6.3 billion (21%) in 2015/16.

Operating grants and transfers totals R2.6 billion in the 2013/14 financial year and increases to R3.1 billion by 2015/16. This revenue component reflects a significant increase over the MTREF period, due to the revised Equitable Share formula, which is now based on the updated national census statistics.

Table 9 Operating Transfers and Grant Receipts

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	1 804 254	89 546	123 957	1 679 172	1 423 829	1 423 829	1 810 804	2 081 258	2 318 301
Restructuring	58 857	1 911	-	3 884	5 303	5 303	3 379	-	-
Finance Management grant	-	832	1 160	1 250	1 443	1 443	1 250	1 250	1 250
Department of Water Affairs	4 271	3 227	-	-	-	-	-	-	-
Municipal Infrastructure Grant	-	2 479	-	-	-	-	-	-	-
Electricity Demand Side Management	-	27 780	-	-	1 359	1 359	-	-	-
Public Transport Infrastructure & Systems Grant	-	31 885	87 809	506 832	227 626	227 626	-	-	-
Dept of Environ Affairs and Tourism	8 744	13 426	270	7 283	7 504	7 504	200	-	-
Equitable share	486 734	7 528	-	1 093 004	1 093 004	1 093 004	1 248 993	1 426 963	1 724 334
Housing Accreditation	-	227	-	400	400	400	200	-	-
Local Government SETA	-	250	-	-	-	-	-	-	-
RSC Levies	1 245 648	-	-	-	-	-	-	-	-
South African National Biodiversity Institute	-	-	-	-	2 132	2 132	-	-	-
Urban Settlements Development Grant	-	-	23 244	46 314	55 574	55 574	148 898	485 064	549 318
Neighbourhood Development Partnership Grant	-	-	1 199	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant	-	-	9 279	20 205	29 484	29 484	32 080	-	-
Integrated City Development Grant	-	-	-	-	-	-	10 364	-	-
Public Transport Network Operations Grant	-	-	-	-	-	-	303 460	167 548	43 000
2014 African Nations Championship Host City Operating Grant	-	-	-	-	-	-	60 000	-	-
Energy Efficiency and Demand Side Management Grant	-	-	995	-	-	-	1 980	433	400
Provincial Government:	395 343	314 696	315 180	624 771	722 153	722 153	824 218	584 497	776 432
Local Government and Housing - Fire-fighting Assistance	871	434	-	-	-	-	-	-	-
Cultural Affairs and Sport - Library Services	14 696	14 194	15 836	23 470	22 470	22 470	24 409	26 650	29 535
Local Government and Housing - Housing	320 424	148 491	114 597	245 224	339 557	339 557	417 096	170 807	398 240
Local Government and Housing - Accreditation	-	251	-	7 100	7 100	7 100	10 000	-	-
Local Government and Housing - Settlement Assistance	-	676	-	-	-	-	-	-	-
Sustainable Transport	-	-	10 000	-	-	-	-	-	-
Health - TB	-	12 431	11 893	9 934	9 934	9 934	11 207	11 058	11 611
Health - Global Fund	-	19 031	18 582	43 015	36 913	36 913	34 753	35 109	28 952
Health - ARV	-	52 362	62 075	71 492	71 492	71 492	77 627	83 061	65 510
Health - Nutrition	-	3 454	3 754	4 140	4 140	4 140	4 400	4 576	4 740
Health - Vaccines	59 352	56 974	68 443	71 617	71 617	71 617	79 995	83 994	65 329
Comprehensive Health	-	-	-	138 779	138 779	138 779	147 132	152 842	156 890
Other	-	149	-	-	-	-	-	-	-
Table Mountain Biosphere	-	68	-	-	7	7	-	-	-
Mamre Fencing	-	-	-	-	63	63	-	-	-
Heritage Audit	-	-	-	-	4	4	-	-	-
Community Development Workers	-	2 000	-	-	-	-	-	-	-
Transport and Public Works - Provision for persons with special needs	-	4 182	10 000	10 000	20 078	20 078	10 000	10 000	9 426
Comprehensive Integrated Transport Plan	-	-	-	-	-	-	-	-	-
Rail Park and Ride facilities	-	-	-	-	-	-	-	-	-
2010 FIFA World Cup	-	-	-	-	-	-	-	-	-
Municipal Land Transport Fund	-	-	-	-	-	-	5 600	5 900	6 200
Transport Safety and Compliance - Rail Safety	-	-	-	-	-	-	2 000	500	-
Other grant providers:	26 263	17 181	15 217	21 582	24 632	24 632	2 279	-	-
<i>Sunwest International</i>	-	350	-	-	-	-	-	-	-
<i>Tourism</i>	2 597	2 083	-	-	-	-	-	-	-
<i>Carnegie</i>	5 252	8 444	3 732	1 442	916	916	1 258	-	-
<i>CMTF</i>	-	2 513	-	19 654	17 773	17 773	170	-	-
<i>Other</i>	4 087	824	3 244	30	30	30	15	-	-
<i>Mamre Trust</i>	-	-	12	150	-	-	150	-	-
<i>MSF Funding</i>	-	454	-	-	-	-	-	-	-
<i>Baboon Management</i>	-	300	-	-	-	-	-	-	-
<i>Solar Energy</i>	-	-	-	-	146	146	-	-	-
<i>Cities for Climate Protection</i>	-	-	-	-	321	321	-	-	-
<i>Neil Desai Skills Development Project</i>	-	37	-	-	-	-	-	-	-
<i>ICLEI: Carbon Taxes</i>	-	-	-	-	117	117	-	-	-
<i>CID</i>	216	1 992	3 249	-	2 525	2 525	-	-	-
<i>Century City Property Owners Association</i>	-	-	285	-	183	183	-	-	-
<i>Outsurance</i>	-	-	896	-	1 024	1 024	-	-	-
<i>Rietvlei Conservation Fund</i>	-	-	-	305	305	305	-	-	-
<i>University of Columbia</i>	-	100	-	-	-	-	-	-	-
<i>NGK Ceramic Company</i>	-	-	-	-	686	686	686	-	-
<i>South African National Biodiversity Institute</i>	-	85	2 733	-	-	-	-	-	-
<i>Finland Government</i>	-	-	-	-	607	607	-	-	-
<i>DBSA</i>	688	-	-	-	-	-	-	-	-
<i>Bill Gates</i>	13 234	-	-	-	-	-	-	-	-
<i>World Health Organisation</i>	189	-	-	-	-	-	-	-	-
<i>National Lottery</i>	-	-	400	-	-	-	-	-	-
<i>Glocal Forum Monaco</i>	-	-	510	-	-	-	-	-	-
<i>Lourens River Flood Alleviation</i>	-	-	156	-	-	-	-	-	-
Total Operating Transfers and Grants	2 225 860	421 422	454 354	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734

1.3.1 Property Rates (Refer Annexure 2)

The property rates are to be levied in accordance with existing Council policies, the Local Government Municipal Property Rates Act 2004 (MPRA) and the Local Government Municipal Finance Management Act 2003.

The Rates Policy was compiled taking into account feedback received from the Finance Portfolio Committee, Councillors, ratepayers and clients since the adoption of the 2012/13 Property Rates Policy in May 2012. In addition, it was informed by the two workshops held with the Finance Portfolio Committee and a workshop with relevant staff during the period January 2013 to 1 March 2013. The Total Municipal Account (TMA) was modelled to assess the impact of all the billed Council charges on households spread over fourteen valuation brackets to determine the affordability of the package of tariff increases.

Property rates are based on values indicated in the new General Valuation Roll 2012 (GV) with the date of valuation being 1 July 2012. The Roll will be updated for properties affected by land subdivisions, alterations to buildings, demolitions and new buildings (improvements) through Supplemental Valuation Rolls.

Accordingly the rates levied per individual property will depend on the amendment to that property's change in value compared with the average change to all the properties. The total amount of rates included in the budget is 7.1% more than for the 2012/13 financial year and takes into account natural growth.

Rebates and concessions are granted to certain categories of property usage and/or property owner. The definitions and listing of categories are reflected in the Draft Rates Policy attached as Annexure 5.

Table 10 Comparison of proposed rates to be levied for the 2013/14 financial year

Category	Current Tariff (1 July 2012)	Proposed Tariff (1 July 2013)
	Rand-in-the-Rand	Rand-in-the-Rand
Agricultural Properties and Small holdings in rural areas that qualify for the residential rebate	0.006062	0.005900
Bona fide farming properties	0.001213	0.001180
Residential Properties	0.006062	0.005900
All other properties that do not qualify for rebates	0.012124	0.011800
Public Service Infrastructure	0.002165	0.001475

1.3.2 Sale of Water and Sanitation and Impact of Tariff Increases (Refer Annexure 4)

The proposed Water and Sanitation Tariffs for the 2013/14 financial year are consistent with National Policy on the provision of free basic services, the National Strategic Framework for Water and Sanitation and with Council's Indigent relief measures, Rates and Tariff Policies and Equitable Service Framework.

The progressive nature of the existing domestic stepped tariff structure both for water and sanitation allows for the needs of the indigent. It is also designed to discourage high water consumption levels,

which have an impact on the size of both the water and sanitation portions of a consumer's bill. It enables all consumers to adjust their consumption levels to ensure affordability.

As a result of possible shifts in water usage patterns experienced during periods of restrictions and the stepped-up implementation of water demand management initiatives, the three sets of tariffs have been retained to make allowance for these uncertainties in case restrictions have to be imposed for 10%, 20% and 30% reduction levels respectively.

The normal tariff set relates to a level at least 10% below the Low Water Demand Curve, as previous restrictions and water demand initiatives have been successful in reducing the normal water demand to this level and the Level 1 restriction measures have been incorporated into the promulgated Water and Sanitation By-Law as permanent good water demand practice. The tariff levels of reduction or restriction imposed by the City on its consumers is therefore not only linked to the level of restriction imposed by the Department of Water Affairs on the City, but also to the level of demand from its consumers.

There is a proposed 9.53% increase in consumptive water and sanitation tariffs. The Bulk Water tariff has been increased by 6.4%. The tariff increases are necessary to address essential operational requirements, maintenance of existing infrastructure, new infrastructure provision and to ensure the financial sustainability of the service.

The miscellaneous tariffs are levied by Water and Sanitation for the provision of various services by the Department. Examples of these services are the installation of water connections and the testing of meters. The aim of these tariffs is to recover the cost of the provision of a particular service to each customer. There is a proposed 5.6% increase on miscellaneous tariffs.

The proposed consumption based as well as miscellaneous tariffs are shown in the attached Draft Tariffs, Fees and Charges Book.

Table 11 Proposed Water Tariffs

Category	Current Tariff 2012/13	Proposed Tariff 2013/14
	Rand per Kl (excl. VAT)	Rand per Kl (excl. VAT)
DOMESTIC Full		
Step 1 (0 < 6kl)	0	0
Step 2 (>6 < 10.5kl)	5.83	7.60
Step 3 (>10.5 < 20kl)	10.60	11.61
Step 4 (>20 < 35kl)	15.70	17.20
Step 5 (>35 < 50kl)	19.40	21.24
Step 6 (>50kl)	25.58	28.02
DOMESTIC Cluster		
Step 1 (0 < 6kl)	0.00	0.00
Step 2 (>6 kl)	n/a	n/a
Step 2 (>6 < 20kl)	9.07	n/a
Step 2 (>6 < 10.5kl)	n/a	9.93
Step 3 (>10.5 < 20)	n/a	11.61
Step 3 (>20kl)	17.55	n/a
Step 4 (>20 < 35kl)	n/a	17.20
Step 5 (>35 < 50kl)	n/a	21.24
Step 6 (>50kl)	n/a	28.02
COMMERCIAL	11.42	12.51
INDUSTRIAL	11.42	12.51

Table 12 Proposed Sanitation Tariffs

Category	Current Tariff 2012/13	Proposed Tariff 2013/14
	Rand per KI (excl VAT)	Rand per KI (excl VAT)
DOMESTIC Full - Standard	Single residential properties - 70% of water consumption to a maximum of 35 kl of sewerage per month (70% of 50 kl water = 35 kl of sewerage)	
Step 1 (0 < 4.2 kl)	0	0
Step 2 (>4.2 < 7.35 kl)	5.81	7.20
Step 3 (>7.35 < 14 kl)	12.38	13.56
Step 4 (>14 < 24.5 kl)	13.53	14.82
Step 5 (>24.5 < 35 kl)	14.21	15.56
DOMESTIC Cluster		
Step 1 (0 < 4.2kl)	0.00	0.00
Step 1 (0 < 4.2kl)	n/a	n/a
Step 2 (> 4.2kl)	9.05	n/a
Step 2 (>4.2 < 7.35 kl)	n/a	9.05
Step 3 (>7.35 < 14 kl)	n/a	13.56
Step 3 (> 4.2 < 35 kl)	15.04	n/a
Step 4 (>14 < 24.5 kl)	n/a	14.82
Step 5 (>28 < 35 kl)	n/a	15.56
COMMERCIAL	8.78	9.62
INDUSTRIAL	8.78	9.62

The following tables show the impact of the proposed increases in water- and sanitation tariffs for a single dwelling house:

Table 13 Comparison between current water charges and proposed increases (domestic consumption)

Monthly Consumption kl	Current amount Payable 2012/13 R	Proposed amount Payable 2013/14 R	Difference (Increase)	Percentage change
6	0.00	0.00	0.00	-
10.5	26.24	34.20	7.97	30.36%
20	126.94	144.50	17.57	13.84%
35	362.44	402.50	40.07	11.05%
50	653.44	721.10	67.67	10.36%
80	1 420.84	1 561.70	140.87	9.91%

Table 14 Comparison between current sanitation charges and proposed increases (domestic consumption):

Monthly Consumption kl	Current amount Payable 2012/13 R	Proposed amount Payable 2013/14 R	Difference (Increase)	Percentage change
4.2	0.00	0.00	0.00	-
7.35	18.30	22.68	4.38	23.92%
14	100.63	112.85	12.22	12.15%
24.5	242.69	268.46	25.77	10.62%
35	391.90	431.84	39.94	10.19%

1.3.3 Waste removal and impact of Tariff Increases (Refer Annexure 4)

The Solid Waste Tariffs are levied to recover costs of services provided directly to customers and include refuse collection fees, disposal fees, compost sales, weighbridge fees and other ad hoc services. It is proposed that the Collections Tariffs (Consumptive and Sundry) increase by 6.32%, Disposal by 7.06% & Cleaning by 5.6%.

Table 15 Comparison between current waste removal fees and increases

SERVICES RENDERED	UNIT	REMARKS To be read in conjunction with Definitions (refer annexures)	2012/13 R excl. VAT	VAT Yes/No	2013/14 R excl. VAT
Black lid 240L container service (R/blacklid)					
Basic container service: Residential collection based on a once-per week 240 L service per household/service point in suburbs containerised.	Per month	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week.).	85.21	y	90.60
Subsidised : Black lid 240L container service (R/blacklid)					
Property owner with property value up to and including R100 000	Rebate per month on First Container only	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week.).	100% rebate (-85.21)	y	100% rebate (-90.60)
Property value between R100 001 up to and including R150 000	Rebate per month on First Container only	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week.).	75% rebate (-63.91)	y	75% rebate (-67.95)
Property value between R150 001 up to and including R350 000	Rebate per month on First Container only	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week.).	50% rebate (-42.61)	y	50% rebate (-45.30)
Property value between R350 001 up to and including R400 000	Rebate per month on First Container only	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week.).	25% rebate (-21.30)	y	25% rebate (-22.65)
Additional once-per-week 240 L service (Black lid 240L)	Per additional 240 L container per month	Enhanced service level. (additional service of 240L Black lid container(s) serviced on the same day as the normal weekly service. Per fixed agreement - not variable)	85.21	y	90.60
Providing a lockable 240L container service	Per month	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week). Subject to Availability.	85.21	y	90.60
Subsidised service to Homeless People Shelters as per the Tariff Policy	Rebate per 240L container per month (limited to a Maximum of 15 containers per shelter)	Account rendered to the registered & Approved NGO organisations and organisations accredited by HOMAC. Enhanced service level (240L black lid containers) serviced once a week	50% rebate (-42.61)	y	50% rebate (-45.30)
Providing a Single lockable 240L container service	Per month	Account to property owner. Basic container service (Weekly service is 1x 240L Black lid container per week). Subject to Availability.	Delete	y	Delete
Indigent relief on a 240L container	Rebate per month on First Container only	In terms of the of Section 27 of the Credit Control & Debt Collection Policy. Basic container service (Weekly service is 1x 240L Black lid container per week.).	100% rebate (-85.21)	y	100% rebate (-90.60)
Additional Recycling Container service: Residential dry recyclable collection based on a once-per week service per participating household.	Per month	Account to property owner participating in the dry recyclable project. Container service.	free		free

1.3.4 Sale of Electricity and Impact of Tariff Increases (Refer Annexure 4)

The proposed revisions to the tariffs have been formulated in accordance with the City of Cape Town Tariff and Rates Policy and comply with Section 74 of the Municipal Systems Act as well as the recommendations of the National Energy Regulator of South Africa (NERSA).

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

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

At the time of writing, NERSA have not yet issued a definitive guideline for municipal increases, although Eskom have released a schedule of standard prices for 2013/14. Based on the above the bulk purchase increase to the City is calculated at 6% and the tariffs tabled with this report are based thereon. It should also be noted that any changes to the above guidelines may require further changes during the public participation process, with the final tariffs and structures being tabled for final approval in May this year.

As a result of the above, the average revenue increase requirement (and therefore the average tariff increase) is 7.86%. The additional amounts required that caused the increase in the above tariff received from Eskom, are to be utilised for the increased capital costs as a result of the changes made last year, for additional artisan posts where a critical need exists for graduating apprentices, for upgrades to the notified maximum demand, an increase in the fuel requirements for the gas turbines as a result of the unavailability of Steenbras Pumped Storage Scheme, an increase in the number of revenue collection teams (aimed at an improvement in the collection ratio) as well as for a reduction in the contribution from Rates funding for street lighting.

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

Category	Unit	Steps	VAT yes/no	2012/13 c/kWh excl VAT	2013/14 c/kWh excl VAT
Lifeline INCLUDES the FBE portion	Energy Charge (c/kWh)	0-150kWh	y	64.93	79.70
		150.1-350kWh	y	89.95	79.70
		350.1-600kWh	y	118.11	185.00
		600.1+ kWh	y	140.18	185.00
Domestic	Energy Charge (c/kWh)	0-150kWh	y	113.20	125.00
		150.1-350kWh	y	118.11	125.00
		350.1-600kWh	y	118.11	125.00
		600.1+ kWh	y	140.18	152.00

1.3.5 Overall impact of tariff increases on households

The following table shows the overall expected impact on the tariff increases on a 'large' and 'small' household as well as on a 'small' household receiving free basic services:

Table 17 MBRR Table SA14 - Household bills

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	576.91	652.78	233.88	247.91	247.91	247.91	(2.6%)	245.83	260.58	276.21
Electricity: Basic levy	120.15	-	-	-	-	-	-	-	-	-
Electricity: Consumption	882.02	933.10	1 271.98	1 383.56	1 383.56	1 383.56	7.9%	1 354.89	1 489.30	1 627.20
Water: Basic levy	-	-	-	-	-	-	-	-	-	-
Water: Consumption	224.99	227.31	274.63	299.35	299.35	299.35	9.5%	312.67	346.93	381.63
Sanitation	156.76	157.88	192.19	213.96	213.96	213.96	9.5%	214.78	238.32	262.15
Refuse removal	72.88	75.44	90.73	83.96	83.96	83.96	6.3%	90.60	95.62	103.30
Other	78.21	-	-	-	-	-	-	-	-	-
sub-total	2 111.92	2 046.51	2 063.41	2 228.74	2 228.74	2 228.74	(0.4%)	2 218.77	2 430.74	2 650.49
VAT on Services	214.90	195.12	256.13	277.32	277.32	277.32	-	276.21	303.82	332.40
Total large household bill:	2 326.82	2 241.63	2 319.54	2 506.06	2 506.06	2 506.06	(0.4%)	2 494.98	2 734.56	2 982.89
% increase/-decrease		(3.7%)	3.5%	8.0%	-	-		(0.4%)	9.6%	9.1%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	192.60	184.21	140.35	178.49	178.49	178.49	(2.6%)	147.50	156.35	165.73
Electricity: Basic levy	-	-	-	-	-	-	-	-	-	-
Electricity: Consumption	385.30	464.68	612.35	601.50	601.50	601.50	7.6%	625.00	687.00	750.62
Water: Basic levy	-	-	-	-	-	-	-	-	-	-
Water: Consumption	139.51	163.95	196.77	187.69	187.69	187.69	9.5%	226.67	251.51	276.66
Sanitation	102.70	119.83	145.22	138.85	138.85	138.85	9.5%	162.91	180.76	198.84
Refuse removal	63.93	75.44	90.73	83.96	83.96	83.96	6.3%	90.60	95.62	103.30
Other	65.31	-	-	-	-	-	-	-	-	-
sub-total	949.35	1 008.11	1 185.42	1 190.50	1 190.50	1 190.50	5.2%	1 252.68	1 371.24	1 495.14
VAT on Services	105.95	115.36	146.31	141.68	141.68	141.68	-	154.73	170.08	186.12
Total small household bill:	1 055.30	1 123.47	1 331.73	1 332.18	1 332.18	1 332.18	5.6%	1 407.41	1 541.32	1 681.26
% increase/-decrease		6.5%	18.5%	0.0%	-	-		5.6%	9.5%	9.1%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	192.60	224.65	44.16	46.81	46.81	46.81	(2.6%)	45.28	48.00	50.88
Electricity: Basic levy	-	-	-	-	-	-	-	-	-	-
Electricity: Consumption	53.90	43.01	253.87	276.14	276.14	276.14	6.9%	238.40	262.05	286.32
Water: Basic levy	-	-	-	-	-	-	-	-	-	-
Water: Consumption	-	-	120.57	131.42	131.42	131.42	9.5%	75.61	83.90	92.28
Sanitation	-	-	98.53	107.40	107.40	107.40	9.5%	111.38	123.59	135.94
Refuse removal	72.88	86.00	68.05	83.96	83.96	83.96	6.3%	45.28	47.79	51.63
Other	-	-	-	-	-	-	-	-	-	-
sub-total	319.38	353.66	585.18	645.73	645.73	645.73	(20.1%)	515.95	565.31	617.05
VAT on Services	17.75	18.06	75.74	83.85	83.85	83.85	-	65.89	72.42	79.26
Total small household bill:	337.13	371.72	660.92	729.58	729.58	729.58	(20.2%)	581.84	637.74	696.31
% increase/-decrease		10.3%	77.8%	10.4%	-	-		(20.2%)	9.6%	9.2%

Note:

GV2009 implemented July 2010
 GV2012 implemented July 2013

This results in the differences of the Rates figures and what seems to be negative growth.

1.4 Operating Expenditure Framework

The City's expenditure for the 2013/14 budget and MTREF is informed by the following:

- Modelling of feasible and sustainable budgets over the medium term,
- Cognisance of international, national and local economic- and fiscal conditions,
- Expenditure limits set by realistic and realisable revenue levels,
- The City's asset renewal strategy and its medium- to long term asset repairs and maintenance goals,
- Relevant (budget and other) legislative imperatives, and
- Operational gains and efficiencies directed to fund areas of strategic priority and known commitments.

The following table is a high level summary of the 2013/14 budget and MTREF (classified by main type of operating expenditure):

Table 18 Summary of operating expenditure by standard classification

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type									
Employee related costs	5 587 167	6 123 768	6 916 012	7 777 521	7 667 739	7 656 893	8 227 256	8 948 772	9 721 068
Remuneration of councillors	84 451	88 621	97 772	122 384	112 904	112 904	123 721	131 887	140 855
Debt impairment	635 851	773 226	818 450	991 026	999 026	999 026	995 068	1 064 858	1 136 380
Depreciation & asset impairment	1 043 389	1 271 965	1 399 490	1 444 096	1 598 033	1 598 033	1 934 741	2 069 894	2 214 534
Finance charges	599 797	717 476	681 533	768 508	749 279	749 279	863 894	960 456	1 169 031
Bulk purchases	3 668 797	4 620 105	5 705 263	6 441 273	6 509 473	6 509 473	6 898 881	7 545 500	8 211 995
Other materials	68 014	279 273	273 402	396 540	345 614	344 943	358 573	386 383	417 002
Contracted services	2 378 150	2 010 269	2 193 662	2 579 846	2 832 886	2 837 610	3 209 625	3 275 265	3 516 109
Transfers and grants	94 193	93 382	103 492	50 606	90 343	97 141	44 448	56 487	55 941
Other expenditure	2 272 047	2 666 893	2 988 712	3 790 624	3 531 021	3 531 016	3 651 802	3 929 670	4 338 795
Loss on disposal of PPE	3 076	3 529	1 724	-	-	-	-	-	-
Total Expenditure	16 434 930	18 648 506	21 179 513	24 362 425	24 436 318	24 436 318	26 308 008	28 369 172	30 921 710

Staff costs for the 2013/14 financial year amounts to R8.2 billion, which is equates to 31.3 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 8.84 (i.e. 6.84 + 2) per cent for the 2013/14 financial year. Similar, inflation-linked increases are estimated for the outer years of the City's MTREF.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the City's budget.

The provision for debt impairment was based on collection rates achieved to date and projected over the MTREF period, as well as the City's arrears and debt recovery policies. For the 2013/14 financial year this amount equates to R995 million and escalates to R1.1 billion by 2015/16. While this expenditure is considered to be a non-cash flow item, it informs the total cost associated with

rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Budget appropriations for depreciation and asset impairment total R1.9 billion for the 2013/14 financial year. The increase is mainly due to the revised calculation, which is now based on a 100% spend as opposed to 95% in 2012/13. In addition, multi-year projects, which were previously capitalised in final year of the budget is now capitalised when the asset is commissioned. Moveable assets are depreciated in the same year based on full budget spending and a detail assessment of each project is now performed to evaluate asset life span before calculation for the actual budget.

Finance charges consists primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges equates to 3.3 per cent (R864 million) of 2013/14 operating expenditure, excluding redemption costs and increases to R1.2 billion by 2015/16. The increase from R769 million in 2012/13 to R864 million in 2013/14 is mainly due to the provision for an external loan of R2.4 billion taken up in 2012/13. With the City's current healthy cash position, no additional loans will be required in 2013/14.

Budgetary provision for bulk purchases are largely informed by the purchase of electricity and water from the suppliers, i.e. Eskom and DWAF. In this regard, annual price increases have been factored into the budget appropriations, which in turn impacts on tariff requirements for these tariff-based services.

Other materials provisions cater for sundry items such as the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. Growth is projected for this expenditure component over the MTREF period (R358 million in 2013/14; estimated to increase to R417 million by 2015/16).

The contracted services expenditure component now includes provisions for repairs and maintenance expenditure. Expenditure levels of R3.2 billion (2013/14) to R3.5 billion (2015/16) are projected.

The following graph gives a breakdown of the main expenditure categories for 2013/14.

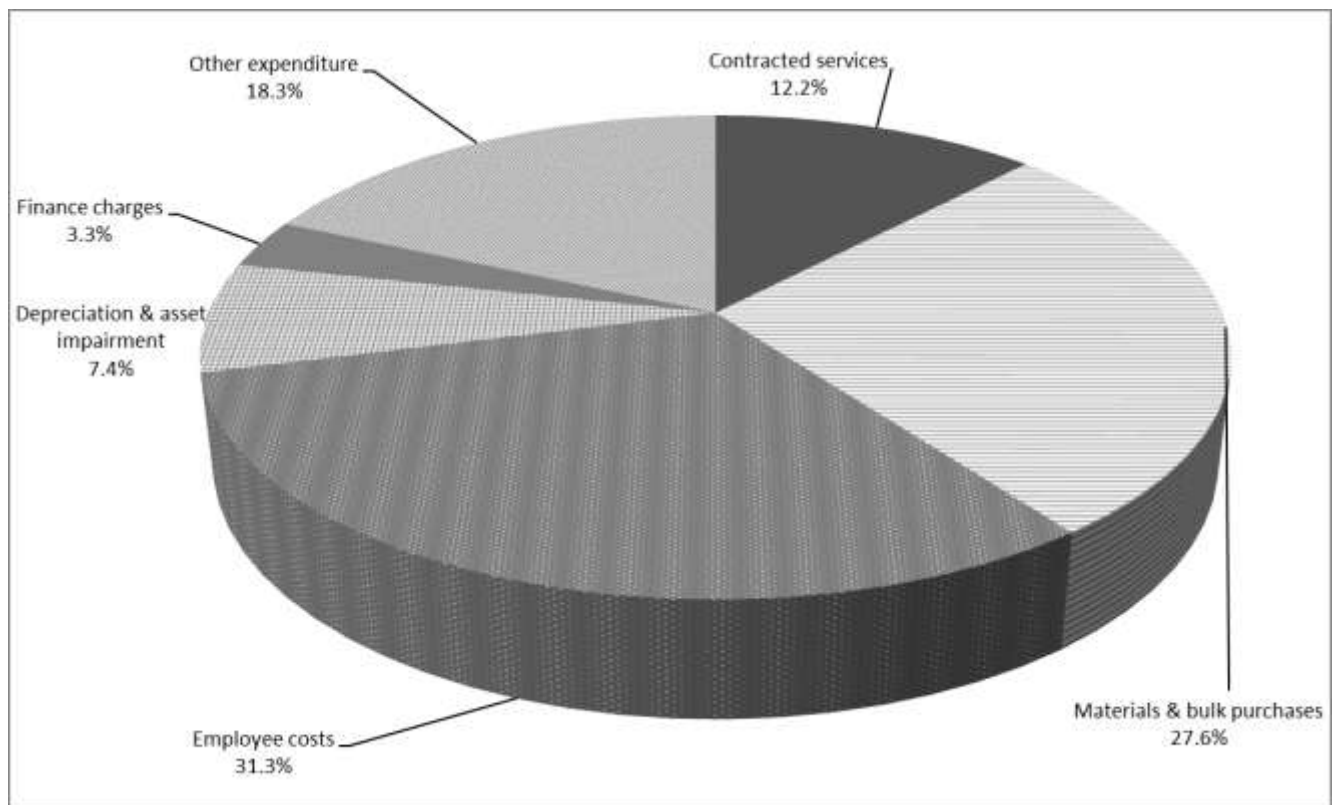


Figure 1 Main operational expenditure categories for the 2013/14 financial year

1.4.1 Priority given to Repairs and Maintenance

The City has acknowledged its obligation to optimally preserve its extended asset base and recognises current inherent backlogs in this regard. In line with the approach of recent financial years, 2013/14 appropriations again provide for significant and above-CPI level increases to this cost component.

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver, but an outcome of other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance.

Table 19 Operational repairs and maintenance

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Repairs & Maintenance by Expenditure Item									
Employee related costs	0	406 268	446 891	960 451	945 862	945 862	1 165 808	1 266 075	1 377 490
Other materials	-	200 892	180 350	305 208	243 415	243 415	263 900	286 690	311 816
Contracted Services	68	995 374	1 088 586	1 193 519	1 301 084	1 301 114	1 358 513	1 488 096	1 608 176
Other Expenditure	1 577 652	106 746	167 226	131 960	131 738	131 738	140 087	152 566	165 513
Total Repairs and Maintenance Expenditure	1 577 720	1 709 280	1 883 053	2 591 137	2 622 099	2 622 129	2 928 309	3 193 427	3 462 995

The total Repairs & Maintenance allocation for 2013/14 equates to R2.9 billion and represents a growth of 13% in relation to the 2012/13 budget. The significant increase is notable on Repairs &

Maintenance - secondary (labour to operating) resulting from the full cost absorption method applied in 2013/14 to calculate labour unit price and the increases in activity prices based on total cost of employment (TCOE) of direct labour workers influenced by TASK outcome/job grading system, where jobs and positions were graded based on the content of approved job description. This trend continues over the MTREF and increases to R1.4 billion in 2015/16. The 2013/14 Repairs & Maintenance provision represents more than 10% of total operating expenditure.

1.4.2 Free Basic Services: Basic Social Services Package

The City provides free basic services (electricity, refuse removal, water, sanitation and rates) to residential properties via two procedures, i.e. the municipal value of the property or on application by those with limited income whose property values exceed the set valuation levels.

The valuation method is utilized to prevent the creation of a bloated and costly administration to deal with the expected 245 000 to 280 000 applications if all had to apply on a periodic basis. Via the billing system criteria the City provides assistance to those residents assumed to be in need, although some with the ability to pay would also receive that benefit. However, the costs of preventing those few unintended cases being assisted would far outweigh the benefits of not providing free services to them. A further benefit of the valuation based approach is that it provides certainty and reduces the risks of fraud. The benefits vary based on the valuation of the properties at R400 000 or below and the recipients vary between 80 000 and 245 000.

The second procedure allows any resident who is required to pay for the mentioned services and whose gross monthly household income is R3 000 or below, to register as indigent to receive the same benefits as if their property values were below R100 000. To date 2 295 residents registered as such, showing clearly that the valuation driven measures are reaching the less fortunate residents as envisaged.

As from 2012/13 a new category of indigent support was created by granting a 50% rebate on rates to all residents where the gross monthly household income is between R3 001 and R4 000. To date 27 households have registered.

Senior citizens and disabled persons' rates rebate is granted to qualifying applicants where the gross monthly household income is below R10 500. For such income up to R3 000 the rates rebate is 100%, reducing gradually to 10% for income between R10 001 and R10 500.

Lifeline tariff customers receiving less than 250kWh per month will receive an increase in the free basic supply to 60kWh, with those receiving between 250kWh and 450kWh per month receiving a free basic supply of 25kWh per month. In total there are 306 000 residents receiving this benefit in the City and Eskom area of supply.

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

The costs for the refuse removal, the R67.42 for water and sanitation and the 60kWh of free electricity are 123% financed by National Government through the local government equitable share

received in terms of the annual Division of Revenue Act. However, the City allocates R46 million from rates income to balance this expenditure whilst the costs of the free 6 kilolitres of water (and concomitant sanitation) and the R200 000 valuation rebate on rates for those residents within the valuation brackets deemed to be indigent are paid for by those remaining residents.

1.5 Capital Expenditure

Table 20 2013/14 Medium-term capital budget per vote

Vote Description R thousand	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
Vote 1 - City Health	31 899	0.5%	23 716	0.4%	17 466	0.3%	25 466	0.5%
Vote 2 - City Manager	224	0.0%	222	0.0%	222	0.0%	222	0.0%
Vote 3 - Community Services	192 140	3.1%	223 123	4.1%	181 434	3.5%	154 670	2.9%
Vote 4 - Corporate Services	237 997	3.8%	263 892	4.9%	218 263	4.2%	243 893	4.5%
Vote 5 - Deputy City Manager	31 438	0.5%	49 390	0.9%	41 417	0.8%	37 317	0.7%
Vote 6 - Economic, Environment & Spatial Planning	43 667	0.7%	66 507	1.2%	58 209	1.1%	62 527	1.2%
Vote 7 - Finance	52 205	0.8%	10 941	0.2%	7 172	0.1%	3 781	0.1%
Vote 8 - Human Settlements	647 212	10.4%	617 419	11.4%	393 916	7.7%	122 833	2.3%
Vote 10 - Safety & Security	58 703	0.9%	40 927	0.8%	33 127	0.6%	35 127	0.7%
Vote 11 - Social and Early Childhood Development	9 590	0.2%	8 260	0.2%	13 010	0.3%	11 010	0.2%
Vote 12 - Tourism, Events and Marketing	102 455	1.6%	26 161	0.5%	25 250	0.5%	30 250	0.6%
Vote 13 - Transport, Roads and Stormwater	2 623 876	42.2%	1 381 796	25.5%	1 609 413	31.3%	1 770 088	32.9%
Vote 14 - Utility Services	2 190 402	35.2%	2 704 329	49.9%	2 538 806	49.4%	2 882 944	53.6%
Total Capital Expenditure - Vote	6 221 809	100%	5 416 684	100%	5 137 705	100%	5 380 129	100%

The capital budget decreases from R6 222 million in 2012/13 (January 2013 adjustments budget) to R5 417 million in 2013/14. This is an overall decline of 12.9% when measured against the latest 2012/13 budgetary provision.

The above table clearly indicates that expenditure emphasis is still on those votes responsible for infrastructure development e.g. Utility Services and Transport, Roads & Stormwater. This allocation in 2013/14 represents just over R4 086 million or 75.4% of the total budgetary allocation for the year. Utility Services receives the largest allocation of R2 704 million in 2013/14, which represents 49.9% of the budget. Utility Services includes the services responsible for the provision of electricity, solid waste, water and sanitation. The second highest allocation is made to Transport Roads & Stormwater amounting to R1 382 million or 25.5%, which is then followed by Human Settlement at R617 million, Corporate Services at R264 million and Community Services at R223 million.

In the outer years the majority of the allocations were also made to infrastructure development amounting to R4 148 million (80.7%) and R4 653 million (86.5%) respectively for each of the financial years.

National Treasury, in its MFMA circulars, has indicated that a minimum of 40% of the capital budget should be for renewal as opposed to new infrastructure. In the City's proposed Capital Budget the renewal of existing assets equates to R2 227 million or 41.1% of the total 2013/14 capital budget, while new assets represents R3 189 million or 58.9%. It is important to note that asset renewal represents the upgrading or replacement of existing City owned assets, while new assets will result in

an increase in the asset base of this City. Additional details regarding asset classes and proposed capital expenditure is contained in Table 30 MBRR Table A9 - Asset Management on page 40, while MBRR Tables A9, SA34a and SA34b provides a detailed breakdown of the capital budget with regards to new asset construction and capital asset renewal (refer pages 145 and 146). A detailed breakdown of the capital budget per project over the medium term is available on page 149.

Major projects/programmes to be implemented over the medium term are:

- Lentegeur Public Space & Civic Office Upgrade → R11 million
- Guguletu Main Substation Upgrade → R39.4 million
- HV Switchgear Replacement → R16.7 million
- Main Substation MV Switchgear Replacement → R47.7 million
- Milnerton: Sub-Depot - Street Lighting → R24 million
- New Building Complex Bloemhof → R34.8 million
- Steenbras Rehabilitation/Upgrade → R127 million
- Stikland Main Substation → R40.1 million
- Street Lighting: City Wide → R153 million
- Substation Fencing → R42.1 million
- Bulk Water (Housing Projects) → R15.7 million
- Cape Flats WWTW-Refurbish → R36 million
- Infrastructure Replace/Refurbish – WWTW → R67.2 million
- Macassar WWTW Extension → R19.4 million
- Mitchells Plain WWTW-Improvements → R44.1 million
- Philippi Collector Sewer → R14.9 million
- Pump Station & Rising Main Du Noon → R28 million
- Ruyterwacht Midblock Water Pipes → R10.5 million
- Spes Bona Reservoir → R22.6 million
- Somerset West Bus Park Main Sewer → R35 million
- Atlantis Cemetery Upgrade → R8.3 million
- Cemetery Upgrades & Extensions → R14.1 million
- Delft Cemetery Development → R4.5 million
- Develop Metro South-East Cemetery → R10 million
- District Park Atlantis → R5 million
- Maitland Cemetery Upgrade Roads & Infrastructure → R4.5 million
- Park Upgrades and Developments → R44.4 million
- Vaalfontein Cemetery Development → R10 million
- Welmoed Cemetery Development → R5.4 million
- Blue Waters Resort: Upgrade → R6.1 million
- Irrigation: General Upgrade → R9 million
- Solomon Mahlangu Hall Modification → R7.7 million
- Sport and Recreation Facilities Upgrade → R68.6 million
- Synthetic Pitches - City Wide → R59 million
- Synthetic Pitch - Cross Roads → R5 million
- Synthetic Pitch - Heideveld → R5 million
- Synthetic Pitch – Kewtown → R5 million
- Synthetic Pitch - Steenberg → R5 million
- Library Upgrades and Extensions → R45 million
- New Regional Library Kuyasa, Khayalitsha → R59 million
- Dualling of Platteklouf Road → R12 million
- Durban Road Corridor Modderdam Road Extension → R19 million
- Nomzamo Access Bridge & Public Transport Interchange → R19 million
- Pelican Park: Strandfontein Rd Upgrade → R34.4 million
- Makhaza Bus Terminal → R11.7 million

- Rail based Park & Ride Facilities → R17.5 million
- Scottsdene Regional Taxi Rank → R22.2 million
- Somerset West Public Transport Interchange → R11.5 million
- Wallacedene Public Transport Interchange → R19.5 million
- Wynberg: Public Transport Hub → R19.5 million
- Khayelitsha Environmental Health Office and Health Facilities → R5.5 million
- New Site B youth clinic → R11 million
- Mzamomhle clinic Upgrade & Extension - TB/ARV → R3.6 million
- Tafelsig Clinic Extensions and Upgrade → R4.5 million
- New Pelican Park Clinic → R7.2 million
- St Vincent Clinic - Extensions → R3.6 million
- Replacement of Fire Vehicles → R9 million
- ISERMS - Emergency Response Systems → R8.5 million
- Local Area Priority Initiatives → R44 million
- Quality Public Spaces – Citywide → R23 million
- Energy Efficiency and Demand Side Manage → R21.4 million
- 2014 African Cup of Nations - Equipment → R3 million
- Installation of Electronic Advertising Boards at Cape Town Stadium → R5 million
- Upgrade of Athlone Stadium → R5 million
- Upgrade to Grand Parade → R2 million
- Construction of ECD Centre - Du Noon → R4.9 million
- Construction of ECD Centre - Strand (Erjville) → R3.2 million
- Construction of ECD Centre - Golden Gate → R3.8 million
- Construction of ECD Centre – Nantes → R3 million
- Wallacedene Social Development Hub → R3 million

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

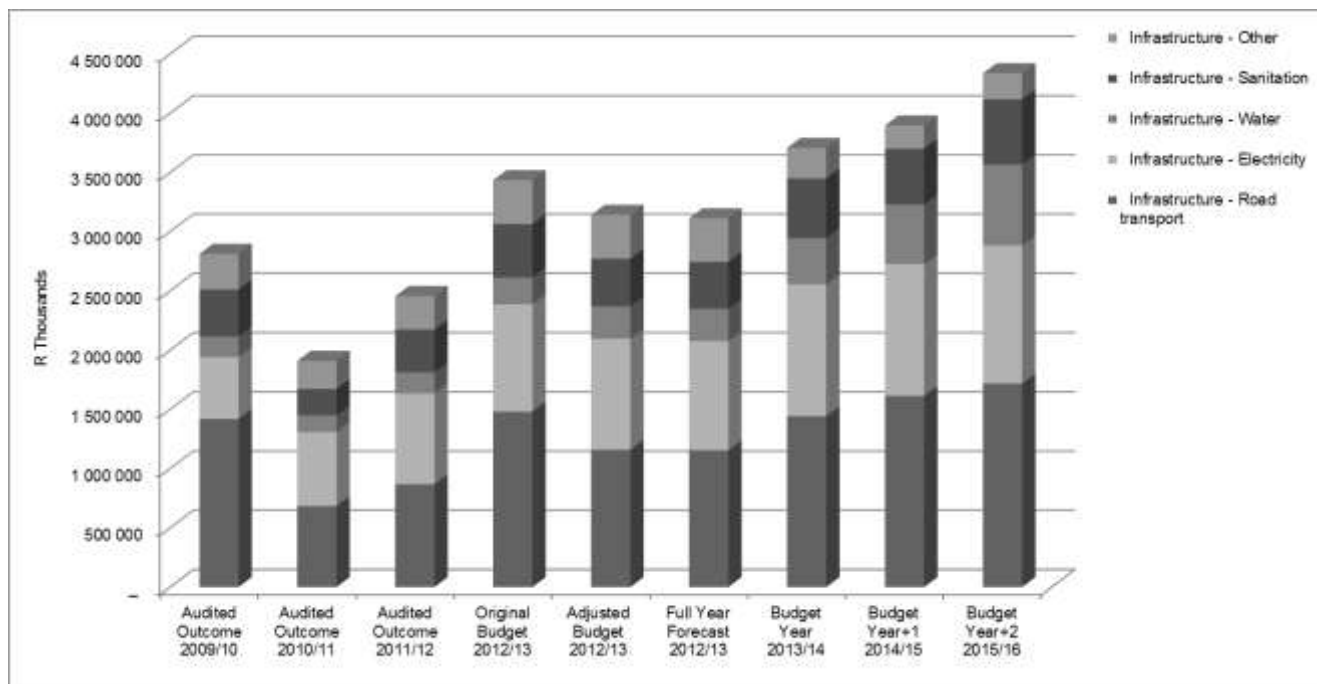


Figure 2 Capital Infrastructure Programme

1.5.1 Future operational cost of new infrastructure

Table SA35, on page 148, represents the future operational costs resulting from the capital investment program. The table shows that the costs estimated over the MTREF are expected to grow from R2 984 million in 2013/14 to R3 545 million in 2015/16. No additional budgetary provision was made for these costs as it is expected to be absorbed through efficiency gains and the prioritisation of existing operational resources.

1.6 Annual Budget Tables

The ten primary budget tables, as required in terms of section 8 of the Municipal Budget and Reporting Regulations, are presented on page 25 to page 42. These tables reflect the City's 2013/14 budget and MTREF to be supported by Council and made public for comment. Each table is accompanied by explanatory notes.

Table 21 MBRR Table A1 - Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousands									
Financial Performance									
Property rates	3 841 313	4 529 932	4 712 098	5 124 299	5 161 136	5 161 136	5 527 109	5 914 006	6 327 987
Service charges	8 735 777	10 359 727	11 986 765	13 339 039	13 464 792	13 464 792	14 447 340	15 868 176	17 398 320
Investment revenue	293 555	291 679	333 336	244 439	244 439	244 439	284 618	292 445	303 664
Transfers recognised - operational	1 194 162	1 400 627	1 639 075	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734
Other own revenue	2 465 853	2 578 677	2 833 409	2 868 354	2 910 565	2 910 565	3 167 682	3 360 618	3 565 072
Total Revenue (excluding capital transfers and contributions)	16 530 661	19 160 643	21 504 683	23 901 656	23 951 546	23 951 546	26 064 049	28 101 001	30 689 776
Employee costs	5 587 167	6 123 768	6 916 012	7 777 521	7 667 739	7 656 893	8 227 256	8 948 772	9 721 068
Remuneration of councillors	84 451	88 621	97 772	122 384	112 904	112 904	123 721	131 887	140 855
Depreciation & asset impairment	1 043 389	1 271 965	1 399 490	1 444 096	1 598 033	1 598 033	1 934 741	2 069 894	2 214 534
Finance charges	599 797	717 476	681 533	768 508	749 279	749 279	863 894	960 456	1 169 031
Materials and bulk purchases	3 736 811	4 899 378	5 978 665	6 837 813	6 855 087	6 854 416	7 257 453	7 931 883	8 628 997
Transfers and grants	94 193	93 382	103 492	50 606	90 343	97 141	44 448	56 487	55 941
Other expenditure	5 289 123	5 453 917	6 002 548	7 361 496	7 362 933	7 367 652	7 856 495	8 269 793	8 991 283
Total Expenditure	16 434 930	18 648 506	21 179 513	24 362 425	24 436 318	24 436 318	26 308 008	28 369 172	30 921 710
Surplus/(Deficit)	95 730	512 137	325 171	(460 769)	(484 772)	(484 772)	(243 958)	(268 171)	(231 934)
Transfers recognised - capital	1 940 857	1 173 315	2 061 755	3 277 122	3 637 304	3 637 304	2 467 587	2 355 871	2 363 911
Contributions recognised - capital & contributed assets	68 988	46 728	120 358	57 707	46 588	46 588	53 250	61 142	53 600
Surplus/(Deficit) after capital transfers & contributions	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Capital expenditure & funds sources									
Capital expenditure	4 662 927	2 857 761	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129
Transfers recognised - capital	1 949 507	1 173 329	2 061 778	3 280 447	3 641 101	3 619 314	2 469 687	2 357 971	2 363 911
Public contributions & donations	45 337	46 715	44 208	54 382	42 791	41 789	51 150	59 042	53 600
Borrowing	1 782 932	992 283	1 374 791	1 765 377	1 784 935	1 775 752	2 193 893	2 086 274	2 368 586
Internally generated funds	885 151	645 435	752 469	826 405	752 982	746 710	701 954	634 418	594 031
Total sources of capital funds	4 662 927	2 857 761	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129
Financial position									
Total current assets	8 468 126	9 455 665	10 769 190	9 113 527	12 059 201	12 059 201	10 849 858	11 986 918	12 390 267
Total non current assets	20 470 389	21 882 485	24 772 540	29 891 064	30 034 934	30 034 934	33 493 602	36 588 706	39 778 591
Total current liabilities	5 492 569	5 801 721	7 101 568	5 875 516	7 865 655	7 865 655	8 346 167	8 388 120	8 574 146
Total non current liabilities	8 590 155	8 856 173	9 252 622	11 344 930	11 761 696	11 761 696	11 249 547	13 283 804	14 500 132
Community wealth/Equity	14 855 791	16 680 256	19 187 540	21 784 146	22 466 785	22 466 785	24 747 746	26 903 699	29 094 581
Cash flows									
Net cash from (used) operating	3 772 696	3 644 517	5 241 829	1 391 906	5 260 693	5 260 693	4 136 590	4 138 332	4 294 067
Net cash from (used) investing	(3 435 266)	(4 755 444)	(4 173 468)	(5 803 342)	(6 139 458)	(6 139 458)	(5 287 781)	(4 989 931)	(5 215 642)
Net cash from (used) financing	1 516 796	(248 995)	(156 902)	1 925 729	2 257 023	2 257 023	(345 066)	1 705 147	1 014 402
Cash/cash equivalents at the year end	6 609 303	5 249 381	6 160 840	1 188 682	7 539 097	7 539 097	6 042 839	6 896 388	6 989 215
Cash backing/surplus reconciliation									
Cash and investments available	4 845 300	5 448 098	6 361 479	5 473 500	8 409 971	8 409 971	7 168 806	8 297 003	8 682 083
Application of cash and investments	1 431 330	1 177 581	1 785 290	5 335 752	8 255 726	8 255 726	6 904 111	8 016 814	8 394 815
Balance - surplus (shortfall)	3 413 970	4 270 517	4 576 189	137 748	154 245	154 245	264 695	280 189	287 268
Asset management									
Asset register summary (WDV)	19 953 867	21 483 763	24 098 059	28 580 574	28 721 836	28 683 593	32 165 536	35 233 347	38 398 942
Depreciation & asset impairment	1 043 389	1 271 965	1 399 490	1 444 096	1 598 033	1 598 033	1 934 741	2 069 894	2 214 534
Renewal of Existing Assets	1 598 906	1 311 958	2 096 182	2 624 109	2 848 389	2 828 874	2 227 220	2 025 217	2 143 876
Repairs and Maintenance	1 577 720	1 709 282	1 883 057	2 591 137	2 622 099	2 622 129	2 928 309	3 193 427	3 462 995
Free services									
Cost of Free Basic Services provided	951 867	863 295	914 309	520 794	1 461 959	1 461 959	1 221 295	1 811 248	1 975 136
Revenue cost of free services provided	1 521 428	1 775 172	1 870 318	2 224 196	2 202 779	2 202 779	2 471 191	2 664 571	2 875 259
Households below minimum service level									
Water:	-	-	-	12 000	12 000	12 000	8 000	4 000	4 000
Sanitation/sewage:	6 000	24 000	24 000	60 800	60 800	60 800	40 600	20 400	20 400
Energy:	90 000	86 000	40 012	38 213	38 963	38 963	37 863	36 763	35 663
Refuse:	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 – Budget Summary

1. Table A1 represents a high-level summation of the City's budget, providing a view that includes all major components, i.e. operating, capital, financial position, cash flow and MFMA funding compliance.
2. In essence it provides a synopsis of the amounts to be approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance and the City's commitment to eliminate basic service delivery backlogs.
3. The importance of ensuring that a municipal budget is fully funded is stressed in the financial management reforms. The MFMA through section 18 requires that a budget can only be funded by realistically anticipated revenue to be collected and cash-backed accumulated funds from previous years, not committed for other purposes.
4. To test whether the City's budget is funded it is required therefore to collectively assess the financial performance, capital budget, financial position and cash flow budgets.
5. The City's key outcomes in this regard are as follows:
 - a. The City's financial performance shows deficit positions over the 2013/14 MTREF. National Treasury Circular 42 states that a deficit on the Financial Performance does not mean that the budget is not funded as long as it is funded from uncommitted previous years' surpluses.
 - b. The deficit on the Financial Performance is as a result of appropriations which are included in the financial position and not in the financial performance budget. The appropriation includes the depreciation reserves (for externally-funded capital projects), Housing Development Fund, Insurance Fund and contributions to the Capital Replacement Reserve.
 - c. The cash flow budget outcome shows that this deficit is funded from uncommitted, previous years' surpluses. It is consequently viewed as a sustainable position.
 - d. The capital budget is funded from the following sources:
 - i. Transfers recognised - capital and public contributions & donations which are shown on the financial performance budget;
 - ii. Borrowing, which is shown in the cash flow budget as part of the net cash from financing activities; and
 - iii. Internally generated funds are financed from previous years' accumulated surpluses, previous years' contributions made to CRR and bulk infrastructure levies already collected. The affordability and sustainability of these funds is confirmed by the positive and increasing cash flow outcome over the 2013/14 MTREF.
6. The City's cash backing/surplus reconciliation over the 2013/14 MTREF shows a positive and increasing trend, which is an indication that the City will be able to afford its commitments over the next three years.
7. The City's persistent strive to eradicate infrastructure backlogs and is evident in the annual increase of investment in the Cost of Free Basic Services and the Revenue Cost of Free Basic Services provided. Backlogs still exist for Water, sanitation and electricity services.

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

Standard Classification Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard									
<i>Governance and administration</i>	6 273 662	7 249 832	7 964 359	8 294 353	8 363 244	8 363 244	9 122 905	9 821 685	10 667 949
Executive and council	2 597	5 227	626	2 365	6 099	6 099	2 498	2 637	2 790
Budget and treasury office	6 093 989	7 145 211	7 642 383	8 113 587	8 153 077	8 153 077	8 899 708	9 568 553	10 388 062
Corporate services	177 076	99 393	321 350	178 401	204 068	204 068	220 699	250 495	277 097
<i>Community and public safety</i>	1 812 088	1 489 699	1 660 887	1 878 807	2 077 475	2 077 475	2 291 440	2 124 286	2 191 320
Community and social services	75 646	78 695	79 894	102 173	73 301	73 301	108 274	96 297	70 605
Sport and recreation	621 527	199 956	90 515	122 100	141 657	141 657	200 033	121 008	141 631
Public safety	232 638	249 345	247 953	235 626	267 404	267 404	256 509	257 949	272 298
Housing	616 844	641 597	875 782	1 004 881	1 186 166	1 186 166	1 294 115	1 194 504	1 262 392
Health	265 433	320 106	366 744	414 028	408 948	408 948	432 509	454 528	444 394
<i>Economic and environmental services</i>	1 255 505	949 908	1 613 953	3 127 647	3 105 901	3 105 901	2 019 985	2 101 646	2 142 559
Planning and development	138 529	154 281	163 261	216 365	191 470	191 470	245 953	217 922	220 460
Road transport	1 099 079	771 669	1 434 262	2 888 726	2 877 628	2 877 628	1 750 700	1 863 190	1 896 104
Environmental protection	17 897	23 958	16 429	22 556	36 803	36 803	23 332	20 534	25 996
<i>Trading services</i>	9 195 700	10 689 106	12 443 026	13 928 026	14 083 716	14 083 716	15 145 942	16 468 330	18 104 387
Electricity	5 785 196	6 944 632	8 238 997	9 238 567	9 382 334	9 382 334	10 003 311	10 942 346	12 006 717
Water	1 662 855	1 829 212	2 048 752	2 312 229	2 315 737	2 315 737	2 576 070	2 842 370	3 104 120
Waste water management	1 052 516	1 072 839	1 267 953	1 399 900	1 393 820	1 393 820	1 539 364	1 635 666	1 789 051
Waste management	695 132	842 423	887 325	977 330	991 825	991 825	1 027 198	1 047 948	1 204 499
<i>Other</i>	3 550	2 141	4 572	7 652	5 103	5 103	4 613	2 068	1 072
Total Revenue - Standard	18 540 505	20 380 686	23 686 797	27 236 485	27 635 439	27 635 439	28 584 886	30 518 014	33 107 288
Expenditure - Standard									
<i>Governance and administration</i>	3 409 682	3 680 745	4 180 175	4 843 898	4 802 806	4 800 412	4 894 788	5 267 739	5 789 645
Executive and council	216 418	224 469	264 276	390 329	340 772	346 129	363 522	390 749	415 806
Budget and treasury office	1 458 575	1 503 034	1 660 096	2 177 022	2 125 119	2 123 977	2 298 441	2 476 042	2 793 024
Corporate services	1 734 689	1 953 242	2 255 804	2 276 547	2 336 914	2 330 307	2 232 825	2 400 948	2 580 815
<i>Community and public safety</i>	3 712 911	3 740 465	4 048 163	4 528 345	4 730 116	4 727 227	5 285 220	5 677 884	6 314 871
Community and social services	358 441	387 945	452 563	466 230	510 627	510 627	508 206	574 191	616 397
Sport and recreation	1 065 075	1 087 097	1 036 232	1 147 217	1 171 819	1 171 912	1 291 485	1 329 856	1 435 648
Public safety	1 151 071	1 162 535	1 269 552	1 412 885	1 436 368	1 433 386	1 576 278	1 698 299	1 839 941
Housing	665 936	561 427	678 590	806 590	920 608	920 608	1 150 357	1 265 889	1 606 166
Health	472 389	541 460	611 225	695 422	690 694	690 694	758 894	809 650	816 718
<i>Economic and environmental services</i>	1 367 880	1 606 066	1 905 321	2 572 956	2 417 361	2 423 359	2 742 106	2 763 343	2 824 400
Planning and development	383 673	408 295	456 187	524 774	530 968	530 538	598 792	610 430	655 458
Road transport	817 570	1 003 857	1 251 273	1 836 436	1 642 463	1 648 891	1 917 353	1 911 130	1 907 404
Environmental protection	166 638	193 914	197 861	211 746	243 930	243 930	225 961	241 782	261 538
<i>Trading services</i>	7 891 315	9 569 263	10 991 369	12 321 579	12 394 151	12 394 116	13 298 491	14 569 529	15 897 140
Electricity	4 587 480	5 614 777	6 894 044	7 747 649	7 818 844	7 818 809	8 317 132	9 145 527	9 956 710
Water	1 499 872	1 780 553	1 810 451	1 993 450	1 992 409	1 992 409	2 184 650	2 415 324	2 649 568
Waste water management	724 042	872 037	943 358	1 055 512	1 073 797	1 073 797	1 203 629	1 302 231	1 437 737
Waste management	1 079 922	1 301 896	1 343 516	1 524 969	1 509 101	1 509 101	1 593 079	1 706 447	1 853 125
<i>Other</i>	53 143	51 967	54 484	95 646	91 884	91 204	87 403	90 678	95 654
Total Expenditure - Standard	16 434 930	18 648 506	21 179 513	24 362 425	24 436 318	24 436 318	26 308 008	28 369 172	30 921 710
Surplus/(Deficit) for the year	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577

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

1. Table A2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification, which divides the municipal services into 15 functional areas.
2. Major contributing items to the increased operating revenue are additional allocations on the Equitable Share, the projected organic growth and tariff increases on Property Rates Tax and Service Charges (Water, Sanitation, Electricity and Refuse).
3. A surplus of R2 277 million in 2013/14 is reflected in this table as total revenue includes Transfers Recognised - capital (Capital Grants & Donations received) while the expenditure category excludes these transfers.
4. This table highlights that the revenue for Electricity, Water and Waste Water Management excluding Waste Management, exceed their expenditure, due to the exclusion of Internal Charges. The deficit in Waste Management Department is absorbed within Rates Revenues.
5. Other functions within Rates show a deficit when comparing revenue and expenditure, which is financed from Rates Revenue.

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

Vote Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote									
Vote 1 - City Health	265 478	320 113	366 750	414 621	409 541	409 541	433 136	455 190	445 094
Vote 2 - City Manager	0	5	9	-	-	-	-	-	-
Vote 3 - Community Services	121 144	121 858	152 761	208 071	191 543	191 543	228 988	200 166	194 235
Vote 4 - Corporate Services	45 869	29 877	118 741	31 537	27 846	27 846	42 936	45 200	47 537
Vote 5 - Deputy City Manager	8 189	19 714	10 374	34 550	28 350	28 350	46 084	3 173	3 357
Vote 6 - Economic, Environment & Spatial Planning	81 499	87 244	80 525	88 256	106 853	106 853	99 921	108 085	118 045
Vote 7 - Finance	587 241	551 672	779 398	602 451	631 086	631 086	690 066	734 389	783 499
Vote 8 - Human Settlements	624 820	652 949	887 217	1 031 290	1 202 882	1 202 882	1 319 298	1 206 644	1 265 742
Vote 9 - Rates & Other	5 800 425	6 847 309	7 258 182	7 861 963	7 898 800	7 898 800	8 605 150	9 269 249	10 077 214
Vote 10 - Safety & Security	224 143	230 638	223 891	215 130	238 981	238 981	234 513	246 954	261 303
Vote 11 - Social and Early Childhood Development	384	103	2 178	380	1 022	1 022	401	423	447
Vote 12 - Tourism, Events and Marketing	579 407	159 507	22 817	27 653	31 721	31 721	87 930	23 427	23 537
Vote 13 - Transport, Roads and Stormwater	997 808	666 399	1 323 004	2 783 687	2 772 589	2 772 589	1 639 659	1 745 931	1 772 044
Vote 14 - Utility Services	9 204 098	10 693 298	12 460 950	13 936 893	14 094 223	14 094 223	15 156 803	16 479 184	18 115 234
Total Revenue by Vote	18 540 505	20 380 686	23 686 797	27 236 485	27 635 439	27 635 439	28 584 886	30 518 014	33 107 288
Expenditure by Vote to be appropriated									
Vote 1 - City Health	534 937	610 208	679 284	770 819	766 664	766 664	839 126	896 631	911 108
Vote 2 - City Manager	21 907	25 176	22 109	27 474	17 939	17 939	14 640	16 330	17 379
Vote 3 - Community Services	1 040 226	1 107 063	1 212 637	1 300 674	1 345 447	1 345 447	1 389 886	1 525 599	1 647 097
Vote 4 - Corporate Services	1 372 152	1 557 366	1 795 509	1 686 921	1 718 322	1 718 322	1 577 070	1 696 093	1 822 029
Vote 5 - Deputy City Manager	349 817	354 861	430 234	633 479	596 407	596 407	700 037	718 196	771 313
Vote 6 - Economic, Environment & Spatial Planning	368 473	395 223	425 822	445 834	485 424	485 424	495 026	530 303	572 528
Vote 7 - Finance	1 350 627	1 451 326	1 465 749	1 723 728	1 676 599	1 676 599	1 856 055	2 012 850	2 301 625
Vote 8 - Human Settlements	695 184	599 417	719 928	858 162	966 362	966 362	1 188 177	1 309 987	1 653 855
Vote 9 - Rates & Other	394 311	351 317	499 886	805 470	814 501	814 501	822 222	869 488	926 113
Vote 10 - Safety & Security	1 081 622	1 113 817	1 241 298	1 384 094	1 399 497	1 399 497	1 504 305	1 620 982	1 752 450
Vote 11 - Social and Early Childhood Development	26 536	27 240	46 006	58 238	79 214	79 214	76 631	83 779	89 957
Vote 12 - Tourism, Events and Marketing	445 365	429 389	335 979	428 964	449 844	449 844	543 591	516 094	550 878
Vote 13 - Transport, Roads and Stormwater	811 218	1 001 413	1 258 752	1 843 834	1 650 117	1 650 117	1 919 030	1 912 897	1 909 273
Vote 14 - Utility Services	7 942 557	9 624 690	11 046 321	12 394 737	12 469 982	12 469 982	13 382 212	14 659 943	15 996 104
Total Expenditure by Vote	16 434 930	18 648 506	21 179 513	24 362 425	24 436 318	24 436 318	26 308 008	28 369 172	30 921 710
Surplus/(Deficit) for the year	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577

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

- Table A3 shows budgeted financial performance in relation to the revenue and expenditure and the operating surplus or deficit per municipal vote. The table below is an analysis of the surplus or deficit for trading services.

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

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Electricity									
Total Operating Revenue (including capital transfers and contributions)	4 381 574	5 793 734	6 949 075	8 603 670	8 457 033	8 457 033	9 265 119	11 415 182	13 876 354
Total Operating Expenditure	3 680 939	4 663 073	5 702 359	7 290 813	7 097 569	7 097 569	7 843 430	9 669 424	11 872 654
Operating Surplus/(Deficit) for the year	700 635	1 130 661	1 246 716	1 312 858	1 359 464	1 359 464	1 421 689	1 745 758	2 003 700
Percentage Surplus	16%	20%	18%	15%	16%	16%	15%	15%	14%
Water									
Total Operating Revenue including capital transfers and contributions)	2 483 279	2 715 224	2 901 796	3 234 747	3 310 004	3 310 004	3 681 649	4 158 917	4 616 673
Total Operating Expenditure	2 092 757	2 188 873	2 604 366	2 637 210	2 650 207	2 650 207	3 003 492	3 331 547	3 728 915
Operating Surplus/(Deficit) for the year	390 522	526 351	297 430	597 537	659 797	659 797	678 158	827 370	887 757
Percentage Surplus	16%	19%	10%	18%	20%	20%	18%	20%	19%
Solid Waste									
Total Operating Revenue including capital transfers and contributions)	611 475	695 132	842 423	900 425	901 923	901 923	977 330	1 051 520	1 083 758
Total Operating Expenditure	962 158	1 079 922	1 301 136	1 418 740	1 396 948	1 396 948	1 528 683	1 642 695	1 775 444
Operating Surplus/(Deficit) for the year	(350 682)	(384 790)	(458 713)	(518 315)	(495 025)	(495 025)	(551 354)	(591 176)	(691 686)
Percentage Surplus	-57%	-55%	-54%	-58%	-55%	-55%	-56%	-56%	-64%

- The electricity revenue and expenditure growth remained constant over the 2 financial years (2013/14 and 2014/15) resulting in a trading surplus of 15% and reduces to 14% in 2015/16. This is due to increases in Eskom bulk purchases as well as the impact of City's tariff setting policy.
- The surplus on the Water Account fluctuates over the 3 years between 18% and 20%.
- The deficit within Solid Waste Management is increasing over the 3 years due to the increase on the expenditure relating to the rehabilitation of the landfill sites. This deficit is financed from Rates Revenue.

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

Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source									
Property rates	3 754 425	4 435 764	4 622 441	5 030 753	5 067 589	5 067 589	5 427 388	5 807 305	6 213 817
Property rates - penalties & collection charges	86 889	94 168	89 657	93 546	93 546	93 546	99 720	106 701	114 170
Service charges - electricity revenue	5 413 081	6 578 085	8 061 684	8 971 405	9 094 445	9 094 445	9 668 405	10 627 511	11 611 618
Service charges - water revenue	1 483 354	1 649 307	1 817 183	2 106 357	2 106 357	2 106 357	2 343 850	2 591 038	2 874 475
Service charges - sanitation revenue	801 003	903 204	1 002 897	1 127 122	1 127 122	1 127 122	1 243 019	1 374 779	1 526 005
Service charges - refuse revenue	614 451	754 178	813 287	896 924	905 638	905 638	951 786	1 021 113	1 117 769
Service charges - other	423 888	474 953	291 714	237 231	231 230	231 230	240 280	253 736	268 453
Rental of facilities and equipment	243 468	250 316	289 736	278 754	303 006	303 006	336 179	352 223	369 016
Interest earned - external investments	293 555	291 679	333 336	244 439	244 439	244 439	284 618	292 445	303 664
Interest earned - outstanding debtors	212 978	230 391	228 425	236 797	238 098	238 098	247 448	261 305	276 461
Fines	154 584	166 476	144 394	160 917	172 827	172 827	181 659	191 832	202 958
Licences and permits	33 054	37 645	41 471	33 121	33 121	33 121	35 601	37 595	39 775
Agency services	111 097	115 991	123 651	115 993	115 993	115 993	121 993	128 825	136 297
Transfers recognised - operational	1 194 162	1 400 627	1 639 075	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734
Other revenue	1 631 529	1 757 278	1 961 587	1 973 772	1 978 519	1 978 519	2 175 802	2 297 942	2 431 222
Gains on disposal of PPE	79 142	20 580	44 144	69 000	69 000	69 000	69 000	90 897	109 343
Total Revenue (excluding capital transfers and contributions)	16 530 661	19 160 643	21 504 683	23 901 656	23 951 546	23 951 546	26 064 049	28 101 001	30 689 776
Expenditure By Type									
Employee related costs	5 587 167	6 123 768	6 916 012	7 777 521	7 667 739	7 656 893	8 227 256	8 948 772	9 721 068
Remuneration of councillors	84 451	88 621	97 772	122 384	112 904	112 904	123 721	131 887	140 855
Debt impairment	635 851	773 226	818 450	991 026	999 026	999 026	995 068	1 064 858	1 136 380
Depreciation & asset impairment	1 043 389	1 271 965	1 399 490	1 444 096	1 598 033	1 598 033	1 934 741	2 069 894	2 214 534
Finance charges	599 797	717 476	681 533	768 508	749 279	749 279	863 894	960 456	1 169 031
Bulk purchases	3 668 797	4 620 105	5 705 263	6 441 273	6 509 473	6 509 473	6 898 881	7 545 500	8 211 995
Other materials	68 014	279 273	273 402	396 540	345 614	344 943	358 573	386 383	417 002
Contracted services	2 378 150	2 010 269	2 193 662	2 579 846	2 832 886	2 837 610	3 209 625	3 275 265	3 516 109
Transfers and grants	94 193	93 382	103 492	50 606	90 343	97 141	44 448	56 487	55 941
Other expenditure	2 272 047	2 666 893	2 988 712	3 790 624	3 531 021	3 531 016	3 651 802	3 929 670	4 338 795
Loss on disposal of PPE	3 076	3 529	1 724	-	-	-	-	-	-
Total Expenditure	16 434 930	18 648 506	21 179 513	24 362 425	24 436 318	24 436 318	26 308 008	28 369 172	30 921 710
Surplus/(Deficit)	95 730	512 137	325 171	(460 769)	(484 772)	(484 772)	(243 958)	(268 171)	(231 934)
Transfers recognised - capital	1 940 857	1 173 315	2 061 755	3 277 122	3 637 304	3 637 304	2 467 587	2 355 871	2 363 911
Contributions recognised - capital	68 988	46 728	44 230	57 707	46 588	46 588	53 250	61 142	53 600
Contributed assets	-	-	76 128	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Taxation									
Surplus/(Deficit) after taxation	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577

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

1. Table A4 is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type. Total revenue is R26 064 million (excluding appropriations which are disclosed in the financial position statement) in 2013/14 and escalates to R30 690 million by 2015/16. This represents a revenue growth of 9%, 7.8% and 9.2% respectively over the 3 years. Major contributing items are the increased allocation in respect of the National Equitable Share allocation, the projected organic growth and tariff increases on Property Rates Tax and Service Charges.
2. Revenue to be generated from Property Rates amounts to R5 527 million (including penalties and collection charges) in the 2013/14 financial year and increases to R6 328 million by 2015/16, which represents 21.2% of the operating revenue base of the City and therefore remain significant funding source for the City.
3. Service charges relating to Electricity, Water, Sanitation and Refuse Removal constitute the biggest component of the revenue basket of the City totalling R14 207 million for the 2013/14 financial year and increasing to R17 130 million in 2015/16. For the 2013/14 financial year, service charges are 54.5% of the total revenue base and the average year on year growth is approximately 10% over the medium term.
4. Transfers Recognised – Operating includes increased allocation in respect of the Equitable Share from R1 084 million (2012/13) to R1 243 million (2013/14) on Operating Grants & Donations.

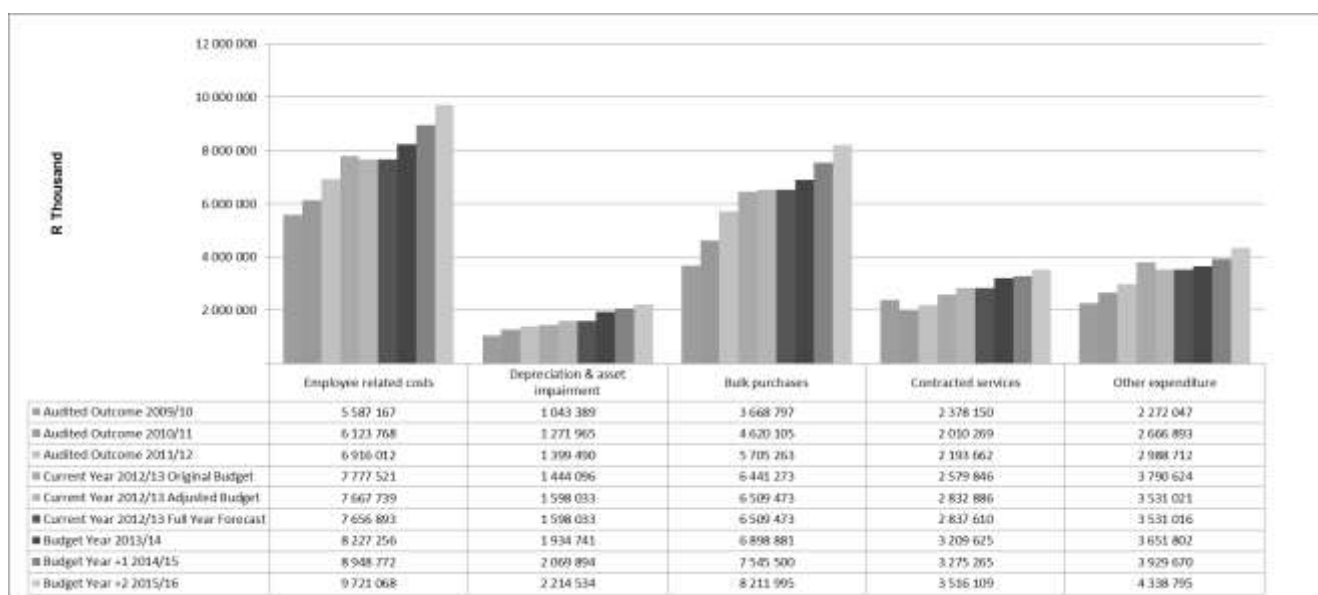


Figure 3 Expenditure by type

5. Bulk purchases have increased significantly over the 2009/10 to 2015/16 period, escalating from R3 668 million to R8 212 million in 2015/16. These increases can be attributed to substantial increases in the cost of bulk electricity from Eskom and Water from the Department of Water Affairs.

6. Employee related costs is also the main cost driver within the City's Operating Expenditure, i.e. from R5 587 million in 2009/10 to R9 721 million in 2015/16, as a result of increases on staff costs over and above SALGA Salary Agreement, higher average CPI as well as the impact Task outcome, where jobs and positions were graded based on the content of the job description. The budgeted 2013/14 salary increase was based on the projected average CPI of 6.84% plus 2% notch increment as per SALGA agreement.
7. Depreciation & Asset Impairment increased from R1 043 million in 2009/10 to R2 215 million in 2015/16. The increase is mainly due to the revised calculation, which is now based on 100% spent as opposed to 95% in 2012/13. In addition, multi-year projects, which were previously capitalised in final year of the budget is now capitalised when the asset is commissioned. Moveable assets are depreciated in the same year based on full budget spending and a detail assessment of each project is now performed to evaluate asset life span before calculation for the actual budget.
8. Contracted Services includes budgetary provision for Repairs & Maintenance.

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

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - City Health	25 567	12 355	22 801	27 460	31 899	31 899	23 716	17 466	25 466
Vote 2 - City Manager	69	655	122	252	224	224	222	222	222
Vote 3 - Community Services	138 365	120 115	162 772	198 523	192 140	192 099	223 123	181 434	154 670
Vote 4 - Corporate Services	214 308	142 581	204 091	250 029	237 997	234 772	263 892	218 263	243 893
Vote 5 - Deputy City Manager	6 480	24 055	14 641	26 948	31 438	31 437	49 390	41 417	37 317
Vote 6 - Economic, Environment & Spatial Planning	53 476	36 429	36 727	52 457	43 667	43 614	66 507	58 209	62 527
Vote 7 - Finance	16 690	13 889	119 902	48 975	52 205	52 199	10 941	7 172	3 781
Vote 8 - Human Settlements	229 711	323 437	490 725	603 872	647 212	637 769	617 419	393 916	122 833
Vote 9 - Rates & Other	-	-	-	-	-	-	-	-	-
Vote 10 - Safety & Security	58 554	27 377	67 079	52 433	58 703	58 693	40 927	33 127	35 127
Vote 11 - Social and Early Childhood Development	6 360	6 909	9 446	11 658	9 590	9 390	8 260	13 010	11 010
Vote 12 - Tourism, Events and Marketing	764 103	103 372	62 875	77 050	102 455	100 954	26 161	25 250	30 250
Vote 13 - Transport, Roads and Stormwater	1 593 834	723 893	1 280 796	2 335 654	2 623 876	2 623 599	1 381 796	1 609 413	1 770 088
Vote 14 - Utility Services	1 555 409	1 322 695	1 761 268	2 241 299	2 190 402	2 166 916	2 704 329	2 538 806	2 882 944
Total Capital Expenditure - Vote	4 662 927	2 857 761	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129
Capital Expenditure - Standard									
Governance and administration	225 706	169 755	352 521	320 902	318 545	315 312	326 414	276 647	293 405
Executive and council	3 799	7 960	3 555	14 204	7 695	7 694	36 405	39 700	35 887
Budget and treasury office	8 538	11 711	9 201	5 823	10 888	10 903	5 949	4 953	4 104
Corporate services	213 369	150 084	339 765	300 876	299 963	296 715	284 060	231 995	253 414
Community and public safety	1 268 217	627 114	848 360	1 009 409	1 088 035	1 073 757	971 266	697 688	431 865
Community and social services	51 393	61 661	59 661	63 798	47 669	47 465	88 153	89 404	42 848
Sport and recreation	871 875	167 278	170 840	219 083	250 157	250 120	164 111	128 540	152 431
Public safety	90 591	63 113	102 241	109 996	116 858	112 263	95 017	77 361	88 286
Housing	228 579	322 710	494 353	589 472	641 852	632 410	600 769	384 916	122 833
Health	25 779	12 352	21 265	27 060	31 499	31 499	23 216	17 466	25 466
Economic and environmental services	1 640 555	753 834	1 299 044	2 393 983	2 660 222	2 659 890	1 460 405	1 674 829	1 828 305
Planning and development	46 452	30 794	26 323	39 529	34 022	33 968	52 390	55 072	39 842
Road transport	1 585 918	715 575	1 259 365	2 326 649	2 610 517	2 610 240	1 376 671	1 607 470	1 765 588
Environmental protection	8 186	7 466	13 357	27 805	15 682	15 682	31 344	12 287	22 875
Trading services	1 527 195	1 306 648	1 729 111	2 198 466	2 150 665	2 131 764	2 655 749	2 488 291	2 826 304
Electricity	665 972	708 894	877 800	1 251 120	1 233 971	1 221 441	1 393 511	1 183 155	1 256 966
Water	191 283	176 302	261 112	297 584	346 091	346 091	504 300	610 236	760 834
Waste water management	384 535	223 077	360 295	404 257	356 430	351 230	493 000	465 895	571 159
Waste management	285 406	198 374	229 904	245 506	214 173	213 003	264 938	229 006	237 345
Other	1 254	410	4 210	3 849	4 343	2 843	2 849	250	250
Total Capital Expenditure - Standard	4 662 927	2 857 761	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129
Funded by:									
National Government	1 672 706	865 987	1 717 564	2 921 635	3 246 952	3 229 434	2 124 565	2 105 936	2 314 179
Provincial Government	253 151	304 847	335 474	355 487	390 352	386 083	343 021	249 935	49 732
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	23 650	2 495	8 740	3 325	3 797	3 797	2 100	2 100	-
Transfers recognised - capital	1 949 507	1 173 329	2 061 778	3 280 447	3 641 101	3 619 314	2 469 687	2 357 971	2 363 911
Public contributions & donations	45 337	46 715	44 208	54 382	42 791	41 789	51 150	59 042	53 600
Borrowing	1 782 932	992 283	1 374 791	1 765 377	1 784 935	1 775 752	2 193 893	2 086 274	2 368 586
Internally generated funds	885 151	645 435	752 469	826 405	752 982	746 710	701 954	634 418	594 031
Total Capital Funding	4 662 927	2 857 761	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129

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

1. Table A5 reflects the City's capital programme in relation to capital expenditure by municipal vote (directorate); capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from National and Provincial Departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The City has allocated multi-year appropriations amounting to R5 417 million for 2013/14 and reducing to R5 138 million in 2014/15 and R5 380 million in 2015/16.
3. The Capital Budget is funded by allocations made to the City by National and Provincial government in the form of grants, as well as public contributions and donations, borrowings and internally generated funds. Capital transfers from National Government, the Provincial Government Western Cape and other transfers and grants amounts to R2 470 million (45.6%) during 2013/14 and reduce to R2 358 million and R2 364 for the 2014/15 and 2015/16 financial years respectively. Borrowings amounts to R2 194 million, R2 086 million and R 2 369 million over the MTREF and have been provided for in terms of affordability levels as determined during MTREF modelling. Internally generated funds have been provided for over the MTREF amounting to R702 million, R634 million and R594 million for each of the respective financial years.

Table 27 MBRR Table A6 - Budgeted Financial Position

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
ASSETS									
Current assets									
Cash	138 253	146 095	133 505	-	-	-	-	-	-
Call investment deposits	4 432 802	5 151 758	6 077 714	4 523 511	7 458 973	7 458 973	5 965 532	6 805 069	6 892 593
Consumer debtors	3 361 410	3 709 111	3 979 256	4 078 849	3 979 256	3 979 256	4 217 354	4 464 803	4 726 108
Other debtors	321 101	194 259	305 949	234 483	336 544	336 544	370 198	407 218	447 940
Current portion of long-term receivables	17 480	19 193	19 758	17 322	18 770	18 770	17 832	16 940	16 093
Inventory	197 080	235 249	253 008	259 362	265 658	265 658	278 941	292 888	307 533
Total current assets	8 468 126	9 455 665	10 769 190	9 113 527	12 059 201	12 059 201	10 849 858	11 986 918	12 390 267
Non current assets									
Long-term receivables	119 058	115 526	99 328	104 262	94 362	94 362	89 644	85 161	80 903
Investments	274 245	150 245	150 260	949 989	950 998	950 998	1 203 274	1 491 934	1 789 490
Investment property	-	-	-	-	-	-	-	-	-
Investment in Associate	-	-	-	-	-	-	-	-	-
Property, plant and equipment	20 077 086	21 616 714	24 522 952	28 836 813	28 989 575	28 989 575	32 200 684	35 011 610	37 908 198
Agricultural	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-
Intangible	-	-	-	-	-	-	-	-	-
Other non-current assets	-	-	-	-	-	-	-	-	-
Total non current assets	20 470 389	21 882 485	24 772 540	29 891 064	30 034 934	30 034 934	33 493 602	36 588 706	39 778 591
TOTAL ASSETS	28 938 515	31 338 150	35 541 730	39 004 591	42 094 136	42 094 136	44 343 459	48 575 624	52 168 858
LIABILITIES									
Current liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	361 475	305 353	294 186	370 393	563 763	563 763	478 860	468 369	603 138
Consumer deposits	229 160	233 492	274 944	282 525	302 438	302 438	332 682	365 950	402 546
Trade and other payables	4 162 488	4 487 965	5 506 661	4 360 119	5 922 387	5 922 387	6 382 164	6 320 668	6 249 011
Provisions	739 446	774 911	1 025 777	862 478	1 077 066	1 077 066	1 152 460	1 233 133	1 319 452
Total current liabilities	5 492 569	5 801 721	7 101 568	5 875 516	7 865 655	7 865 655	8 346 167	8 388 120	8 574 146
Non current liabilities									
Borrowing	5 541 041	5 343 836	5 176 421	6 975 308	7 243 313	7 243 313	6 493 327	8 270 460	9 208 496
Provisions	3 049 114	3 512 337	4 076 201	4 369 622	4 518 383	4 518 383	4 756 220	5 013 344	5 291 636
Total non current liabilities	8 590 155	8 856 173	9 252 622	11 344 930	11 761 696	11 761 696	11 249 547	13 283 804	14 500 132
TOTAL LIABILITIES	14 082 724	14 657 894	16 354 190	17 220 445	19 627 351	19 627 351	19 595 713	21 671 925	23 074 278
NET ASSETS	14 855 791	16 680 256	19 187 540	21 784 146	22 466 785	22 466 785	24 747 746	26 903 699	29 094 581
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	12 485 228	14 369 652	16 895 822	19 872 204	20 263 916	20 263 916	22 712 814	24 938 463	27 066 956
Reserves	2 370 563	2 310 604	2 291 718	1 911 942	2 202 869	2 202 869	2 034 932	1 965 237	2 027 625
Minorities' interests	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	14 855 791	16 680 256	19 187 540	21 784 146	22 466 785	22 466 785	24 747 746	26 903 699	29 094 581

Explanatory notes to Table A6 - Budgeted Financial Position

1. The budgeted Statement of Financial Position of the City has been prepared on a basis consistent with GRAP 1 and international accounting standards and as such makes it comparable with the present Statement of Financial Position and those of previous years. This will enable all stakeholders to interpret the impact of the budget as such on the Statement of Financial Position.
2. The assets are in the order of relative liquidity and liabilities according to their priority of being met with cash and an extensive table of notes (MBRR Table SA3 which can be found on page 164) are provided with details of the major components of items such as:
 - Call Investment Deposits
 - Consumer Debtors
 - Property, Plant and Equipment
 - Trade and Other Payables
 - Non-Current Provisions
 - Changes in Net Assets
 - Reserves
3. Movements on the Budgeted Statement of Financial Performance will impact on the Budgeted Statement of Financial Position. Assumptions made on the collection rate for instance, will affect the budgeted cash position of the City and the budgeted impairment of debtors. As such the assumptions form a critical link in determining the applicability and relevance of the budget, the determination of financial indicators, the assessment of funding compliance and the general viability of the municipality.

Table 28 MBRR Table A7 - Budgeted Cash Flow Statement

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	12 641 040	16 463 076	18 601 603	19 664 743	20 260 796	20 260 796	21 830 615	23 725 740	25 769 195
Government - operating	2 550 811	1 385 536	1 626 991	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734
Government - capital	1 940 857	1 173 315	2 130 844		3 680 095	3 680 095	2 520 837	2 417 014	2 417 511
Interest	383 657	503 857	563 873	481 236	482 538	482 538	532 066	553 751	580 125
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(13 220 119)	(15 163 792)	(17 019 721)	(20 311 090)	(20 714 939)	(20 714 939)	(22 590 331)	(24 347 338)	(26 476 660)
Finance charges	(523 550)	(717 475)	(661 761)	(768 508)	(618 412)	(618 412)	(749 449)	(820 102)	(1 034 896)
Transfers and Grants	-	-	-	-	-	-	(44 448)	(56 487)	(55 941)
NET CASH FROM/(USED) OPERATING ACTIVITIES	3 772 696	3 644 517	5 241 829	1 391 906	5 260 693	5 260 693	4 136 590	4 138 332	4 294 067
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	82 380	63 278	45 983	69 000	69 000	69 000	69 000	90 897	109 343
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	42 673	1 819	15 633	6 399	6 399	6 399	-	-	-
Decrease (increase) in non-current investments	1 102 674	(1 962 720)	(1 922)	(248 462)	(304 138)	(304 138)	-	-	-
Payments									
Capital assets	(4 662 993)	(2 857 821)	(4 233 162)	(5 630 280)	(5 910 719)	(5 910 719)	(5 356 781)	(5 080 827)	(5 324 985)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(3 435 266)	(4 755 444)	(4 173 468)	(5 803 342)	(6 139 458)	(6 139 458)	(5 287 781)	(4 989 931)	(5 215 642)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	2 047 299	-	-	2 000 000	2 400 000	2 400 000	-	2 015 000	1 300 000
Increase (decrease) in consumer deposits	(6 366)	4 332	41 452	25 684	25 684	25 684	-	-	-
Payments									
Repayment of borrowing	(524 137)	(253 327)	(198 354)	(99 955)	(168 662)	(168 662)	(345 066)	(309 853)	(285 598)
NET CASH FROM/(USED) FINANCING ACTIVITIES	1 516 796	(248 995)	(156 902)	1 925 729	2 257 023	2 257 023	(345 066)	1 705 147	1 014 402
NET INCREASE/ (DECREASE) IN CASH HELD	1 854 226	(1 359 922)	911 459	(2 485 708)	1 378 257	1 378 257	(1 496 257)	853 548	92 827
Cash/cash equivalents at the year begin:	4 755 077	6 609 303	5 249 381	3 674 390	6 160 840	6 160 840	7 539 097	6 042 839	6 896 388
Cash/cash equivalents at the year end:	6 609 303	5 249 381	6 160 840	1 188 682	7 539 097	7 539 097	6 042 839	6 896 388	6 989 215

Explanatory notes to Table A7 – Budgeted Cash Flow Statement

1. The table shows the cash and cash equivalents of the City during the 2013/14 to 2015/16 MTREF.
2. The City has embarked on an extensive debt collection process to boost cash levels. These initiatives and interventions have translated into a positive cash position for the City.
3. For the 2013/14 MTREF the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term, with cash levels anticipated to exceed R6 042 million by 2013/14 and steadily increasing to R6 989 million by 2015/16.

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

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available									
Cash/cash equivalents at the year end	6 609 303	5 249 381	6 160 840	1 188 682	7 539 097	7 539 097	6 042 839	6 896 388	6 989 215
Other current investments > 90 days	(2 038 248)	48 472	50 379	3 334 829	(80 124)	(80 124)	(77 307)	(91 319)	(96 622)
Non current assets - Investments	274 245	150 245	150 260	949 989	950 998	950 998	1 203 274	1 491 934	1 789 490
Cash and investments available:	4 845 300	5 448 098	6 361 479	5 473 500	8 409 971	8 409 971	7 168 806	8 297 003	8 682 083
Application of cash and investments									
Unspent conditional transfers	1 048 440	1 108 680	1 665 752	1 162 749	1 731 982	1 731 982	1 826 081	1 912 796	2 035 216
Unspent borrowing	-	-	-	-	-	-	-	-	-
Statutory requirements	-	-	-	398 040	409 620	409 620	426 030	425 820	420 887
Other working capital requirements	(148 582)	(470 169)	(401 925)	(957 645)	(35 391)	(35 391)	60 874	(363 767)	(852 581)
Other provisions	-	-	-	3 279 563	3 563 268	3 563 268	2 881 841	3 118 509	3 709 493
Long term investments committed	-	-	-	979 989	950 998	950 998	1 203 274	1 491 934	1 789 490
Reserves to be backed by cash/investments	531 472	539 070	521 463	473 056	1 635 249	1 635 249	506 011	1 431 523	1 292 311
Total Application of cash and investments:	1 431 330	1 177 581	1 785 290	5 335 752	8 255 726	8 255 726	6 904 111	8 016 814	8 394 815
Surplus(shortfall)	3 413 970	4 270 517	4 576 189	137 748	154 245	154 245	264 695	280 189	287 268

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. From the table it can be seen that for the City remained in a surplus net cash flow position for the period 2013/14 to 2015/16.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2013/14 MTREF is fully funded.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2013/14 MTREF, the end objective of the medium-term framework was to ensure the budget is funded/aligned to section 18 of the MFMA.
7. Table A8 reflects an inclining/positive term trend from a surplus of R265 million in 2013/14 to a surplus of R287 million by 2015/16.

Table 30 MBRR Table A9 - Asset Management

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	3 064 021	1 545 803	2 137 063	3 302 501	3 373 421	3 354 691	3 189 465	3 112 488	3 236 253
Infrastructure - Road transport	972 074	508 450	650 661	698 263	735 214	731 364	1 190 195	1 331 132	1 483 362
Infrastructure - Electricity	268 053	404 244	341 321	479 671	487 951	479 152	761 578	605 596	618 220
Infrastructure - Water	91 974	58 842	79 633	132 206	152 993	149 777	191 903	265 548	316 172
Infrastructure - Sanitation	240 052	103 983	152 022	253 971	220 058	219 992	225 618	214 927	170 201
Infrastructure - Other	61 111	90 987	173 158	229 941	261 285	261 285	240 422	189 324	216 500
Infrastructure	1 633 263	1 166 506	1 396 795	1 794 052	1 857 501	1 841 571	2 609 716	2 606 528	2 804 455
Community	810 874	148 781	106 850	224 042	246 522	244 999	131 174	137 001	101 950
Heritage assets	602	761	10 842	7 204	7 643	7 642	9 598	9 924	6 797
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	619 282	229 755	622 575	1 277 203	1 261 754	1 260 479	438 976	359 034	323 051
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	1 598 906	1 311 958	2 096 182	2 624 109	2 848 389	2 828 874	2 227 220	2 025 217	2 143 876
Infrastructure - Road transport	448 535	175 653	218 798	783 882	424 621	424 153	252 436	283 357	235 750
Infrastructure - Electricity	253 925	222 302	423 720	426 925	449 902	442 401	351 578	506 833	547 471
Infrastructure - Water	81 505	80 896	99 671	93 411	119 939	122 939	198 112	237 388	366 252
Infrastructure - Sanitation	157 208	118 354	209 427	196 864	181 869	175 869	278 225	256 295	380 734
Infrastructure - Other	239 037	146 542	108 660	140 816	108 796	107 095	18 207	7 413	2 700
Infrastructure	1 180 210	743 747	1 060 276	1 641 898	1 285 126	1 272 457	1 098 557	1 291 287	1 532 906
Community	174 800	288 797	478 711	481 775	521 687	517 900	573 256	370 630	182 837
Heritage assets	-	-	342	1 355	746	746	430	1 230	2 230
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	243 896	279 414	556 853	499 081	1 040 830	1 037 771	554 976	362 071	425 902
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	1 420 609	684 103	869 459	1 482 146	1 159 834	1 155 517	1 442 631	1 614 490	1 719 113
Infrastructure - Road transport	521 977	626 546	765 041	906 595	937 853	921 553	1 113 156	1 112 430	1 165 691
Infrastructure - Electricity	173 479	139 738	179 304	225 617	272 932	272 716	390 014	502 936	682 424
Infrastructure - Water	397 259	222 337	361 449	450 835	401 927	395 861	503 843	471 222	550 934
Infrastructure - Sanitation	300 148	237 530	281 818	370 757	370 081	368 381	258 629	196 737	219 200
Infrastructure - Other	2 813 473	1 910 253	2 457 071	3 435 950	3 142 627	3 114 028	3 708 273	3 897 815	4 337 362
Infrastructure	985 674	437 578	585 561	705 817	768 209	762 899	704 431	507 631	284 787
Community	602	761	11 184	8 559	8 389	8 388	10 028	11 154	9 027
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	863 178	509 169	1 179 428	1 776 284	2 302 584	2 298 251	993 952	721 105	748 953
Other assets	-	-	-	-	-	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	4 662 927	2 857 761	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	1 929 058	2 625 673	3 741 789	5 637 606	5 246 424	5 242 107	6 415 227	7 741 124	9 151 443
Infrastructure - Electricity	1 928 978	2 615 142	3 039 822	4 010 927	4 028 342	4 012 042	4 745 964	5 452 614	6 184 121
Infrastructure - Water	1 192 072	1 168 331	1 268 425	1 403 959	1 430 207	1 429 991	1 545 722	1 755 174	2 123 570
Infrastructure - Sanitation	710 198	923 797	1 516 478	2 166 388	2 110 144	2 104 078	2 540 802	2 940 207	3 414 297
Infrastructure - Other	3 507 400	3 765 690	2 823 869	3 858 932	3 855 626	3 853 926	3 979 522	4 033 915	4 100 806
Infrastructure	9 267 705	11 098 632	12 390 384	17 077 812	16 670 743	16 642 144	19 227 237	21 923 034	24 974 237
Community	3 855 950	4 882 720	4 802 575	5 724 678	5 777 698	5 772 388	6 229 741	6 473 493	6 476 182
Heritage assets	9 440	10 002	11 914	21 301	21 131	21 131	31 158	42 312	51 339
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	3 183 476	3 965 965	4 281 959	5 756 783	6 252 264	6 247 930	6 677 400	6 794 508	6 897 184
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	16 316 572	19 957 320	21 486 831	28 580 574	28 721 836	28 683 593	32 165 536	35 233 347	38 398 942
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	1 043 389	1 271 965	1 399 490	1 444 096	1 598 033	1 598 033	1 934 741	2 069 894	2 214 534
Repairs and Maintenance by Asset Class	1 577 720	1 709 282	1 883 057	2 591 137	2 622 099	2 622 129	2 928 309	3 193 427	3 462 995
Infrastructure - Road transport	237 338	265 917	303 238	354 785	356 474	356 474	618 333	671 509	730 602
Infrastructure - Electricity	260 839	269 194	202 472	336 492	336 575	336 575	335 843	364 959	396 822
Infrastructure - Water	20 127	22 544	23 998	63 893	65 382	65 382	65 993	71 667	77 975
Infrastructure - Sanitation	29 565	27 556	39 518	57 083	64 148	64 148	69 926	75 939	82 623
Infrastructure - Other	20 107	22 128	11 675	37 841	111 797	111 797	65 077	70 673	76 892
Infrastructure	567 976	607 340	580 901	850 094	934 376	934 376	1 155 172	1 254 747	1 364 914
Community	57 990	64 418	59 347	62 627	63 523	63 523	68 567	74 464	81 018
Heritage assets	6 361	7 104	7 236	9 983	9 983	9 983	12 608	13 692	14 897
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	945 392	1 030 420	1 235 574	1 668 433	1 614 217	1 614 247	1 691 963	1 850 524	2 002 167
TOTAL EXPENDITURE OTHER ITEMS	2 621 109	2 981 247	3 282 547	4 035 233	4 220 132	4 220 162	4 863 050	5 263 321	5 677 529
Renewal of Existing Assets as % of total capex	34.3%	45.9%	49.5%	44.3%	45.8%	45.7%	41.1%	39.4%	39.8%
Renewal of Existing Assets as % of deprecn"	153.2%	103.1%	149.8%	181.7%	178.2%	177.0%	115.1%	97.8%	96.8%
R&M as a % of PPE	7.9%	7.9%	7.7%	9.0%	9.0%	9.0%	9.1%	9.1%	9.1%
Renewal and R&M as a % of PPE	19.0%	15.0%	19.0%	18.0%	19.0%	19.0%	16.0%	15.0%	15.0%

Explanatory notes to Table A9 – Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. At this stage spending on depreciation by asset class information is not available.
3. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the City’s strategy to address the maintenance backlog. To ensure compliance the City will embark on an asset creation project which will be finalised over a couple of years.

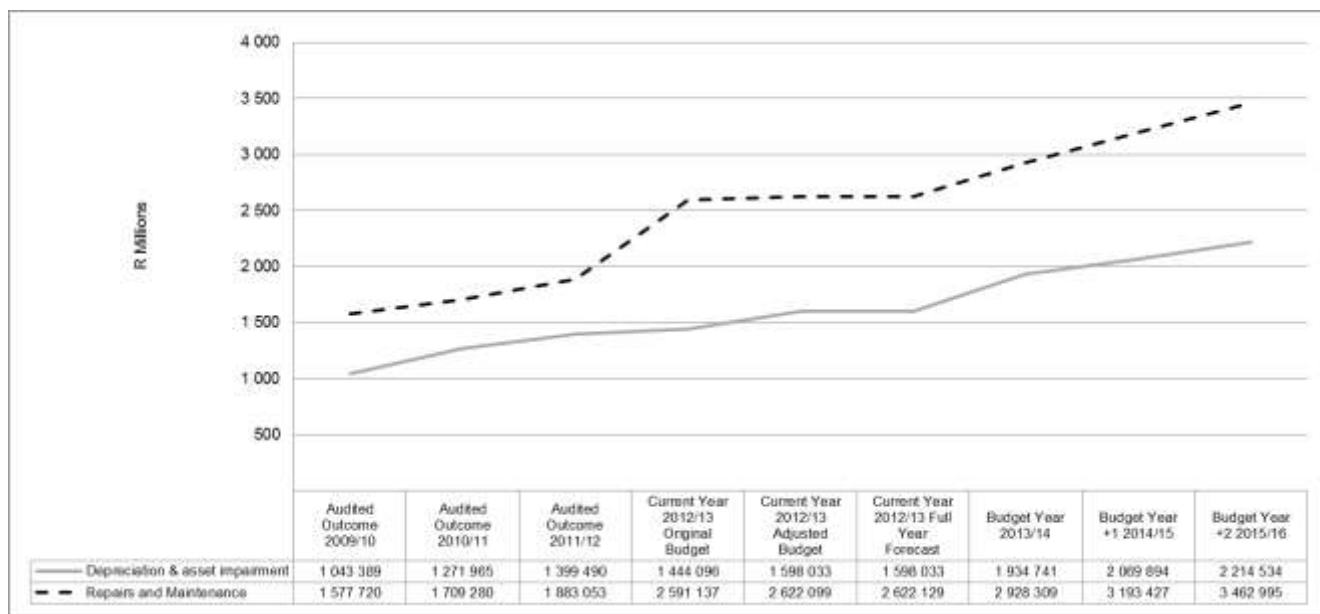


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

Table 31 MBRR Table A10 - Basic Service Delivery Measurement

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets									
Water:									
Piped water inside dwelling	757 000	714 000	728 000	943 000	943 000	943 000	978 000	1 014 000	1 052 000
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	146 000	190 000	194 000	187 000	187 000	187 000	196 000	204 000	212 000
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	903 000	904 000	922 000	1 130 000	1 130 000	1 130 000	1 174 000	1 218 000	1 264 000
Using public tap (< min.service level)	-	-	-	12 000	12 000	12 000	8 000	4 000	4 000
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	12 000	12 000	12 000	8 000	4 000	4 000
Total number of households	903 000	904 000	922 000	1 142 000	1 142 000	1 142 000	1 182 000	1 222 000	1 268 000
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	811 000	812 000	828 000	999 000	999 000	999 000	1 045	1 093	1 143
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	16 000	16 000	17 000	23 000	23 000	23 000	24 000	25 000	26 000
Pit toilet (ventilated)	2 000	2 000	2 000	1 560	1 560	1 560	1 560	1 560	1 560
Other toilet provisions (> min.service level)	50 000	50 000	51 000	58 000	58 000	58 000	71 000	83 000	94 000
<i>Minimum Service Level and Above sub-total</i>	879 000	880 000	898 000	1 081 560	1 081 560	1 081 560	1 141 560	1 202 560	1 264 560
Bucket toilet	4 000	4 000	4 000	800	800	800	600	400	400
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	2000	20 000	20000	60 000	60 000	60 000	40 000	20 000	20 000
<i>Below Minimum Service Level sub-total</i>	6 000	24 000	24 000	60 800	60 800	60 800	40 600	20 400	20 400
Total number of households	885 000	904 000	922 000	1 142 360	1 142 360	1 142 360	1 182 160	1 222 960	1 284 960
Energy:									
Electricity (at least min.service level)	731 000	738 000	807 138	808 938	821 075	821 075	822 175	823 275	824 375
Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	731 000	738 000	807 138	808 938	821 075	821 075	822 175	823 275	824 375
Electricity (< min.service level)	90 000	86 000	40 012	38 213	38 963	38 963	37 863	36 763	35 663
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	90 000	86 000	40 012	38 213	38 963	38 963	37 863	36 763	35 663
Total number of households	821 000	824 000	847 150	847 151	860 038	860 038	860 038	860 038	860 038
Refuse:									
Removed at least once a week	955 000	926 000	945 000	963 000	963 000	963 000	936 893	955 630	974 743
<i>Minimum Service Level and Above sub-total</i>	955 000	926 000	945 000	963 000	963 000	963 000	936 893	955 630	974 743
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	955 000	926 000	945 000	963 000	963 000	963 000	936 893	955 630	974 743
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	903 000	904 000	992 000	1 130 000	1 130 000	1 130 000	1 174 000	1 218 000	1 263 649
Sanitation (free minimum level service)	879 000	881 000	898 000	1 081 000	1 081 000	1 081 000	1 141 000	1 202 000	1 266 261
Electricity/other energy (50kwh per household per month)	424 000	449 000	429 000	374 892	402 410	402 410	373 966	373 966	373 966
Refuse (removed at least once a week)	475 000	481 000	484 000	494 000	494 000	494 000	503 880	513 576	523 847
Cost of Free Basic Services provided (R'000)									
Water (6 kilolitres per household per month)	365 140	407 102	427 195	544	544 359	544 359	667 256	741 322	823 609
Sanitation (free sanitation service)	188 119	219	275	384	384 410	384 410	309	483 162	529 612
Electricity/other energy (50kwh per household per month)	142 483	180 955	206 319	233 735	247 060	247 060	206 399	232 487	260 552
Refuse (removed once a week)	256 125	275 019	280 520	286 130	286 130	286 130	347 331	354 277	361 363
Total cost of FBS provided (minimum social package)	951 867	863 295	914 309	520 794	1 461 959	1 461 959	1 221 295	1 811 248	1 975 136
Highest level of free service provided									
Property rates (R value threshold)	200 000	200 000	200 000	200 000	200 000	200 000	200 000	200 000	200 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (Rand per household per month)	30	38	41	53	53	53	59	65	71
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	240	240	240	240	240	240	240	240	240
Revenue cost of free services provided (R'000)									
Property rates (R15 000 threshold rebate)	39 297	50 039	53 551	60 576	60 576	60 576	64 876	69 418	74 277
Property rates (other exemptions, reductions and rebates)	398 821	791 904	843 709	1 015 814	994 398	994 398	1 065 000	1 139 550	1 219 318
Water	365 140	382 073	387 743	467 090	467 090	467 090	547 393	608 153	675 657
Sanitation	380 740	182 890	184 838	263 221	263 221	263 221	312 326	346 994	385 510
Electricity/other energy	100 641	96 947	105 847	115 316	115 316	115 316	113 409	123 820	135 186
Refuse	207 500	240 813	262 648	267 901	267 901	267 901	331 973	338 613	345 385
Municipal Housing - rental rebates	29 289	30 507	31 982	34 279	34 279	34 279	36 214	38 025	39 926
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	1 521 428	1 775 172	1 870 318	2 224 196	2 202 779	2 202 779	2 471 191	2 664 571	2 875 259

Explanatory notes to Table A10 – Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The City is persistently striving to eradicate backlogs. The City's backlog status are as follows:
 - a. Water services – The majority of Cape Town's population, both formal and informal settlements, receives potable water service levels that generally meet the National minimum standards as required by the Water Services Act 108 (of 1997). The backlog reflects the informal settlement households not serviced to City of Cape Town's minimum service standards.
 - b. Sanitation services – The backlog is expected to reduce over the MTREF period from 40 600 in 2013/14 to 20 400 in 2015/16. The reduction is attributed to additional funding allocated for this purpose. These figures will be updated once the 2011 Census household figures are verified.
 - c. Electricity services – The electrification strategy is to reduce the backlog by 1 100 annually. The electricity backlog is expected to reduce from 37 863 in 2013/14 to 35 663 in 2015/16.
 - d. Refuse services – This service does not have any backlogs.
3. Households receiving free basic services are generally expected to increase by an average of 3.6% over the 2013/14 MTREF for all services.
4. The annual increase in households receiving free basic services consequently increases the cost for providing the services. The associated cost of providing the free basic services is projected to escalate from R1 530 million in 2013/14 to R1 811 million in 2014/15 and R1 975 million in 2015/16. The City's cost of free basic services as a ratio of the equitable share allocation equals 123%, 121% and 109% respectively over the 2013/14 MTREF, which shows that the equitable share does not compensate for the full cost of free basic services.

Part 2 – Supporting Documentation

2.1 *Budget process: Mayoral oversight and responsibility*

Section 24 of the MFMA requires the municipal council to, at least 30 days before the start of the financial year; consider the annual budget for approval. Section 53 requires the Mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, states that the Mayor of a municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act:

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

In addition to the persons listed above, the City has extended the membership of the BSC to include a number of other administrative representatives from across the organisation as well as senior political members to strengthen the link between the five Strategic Focus Areas of the IDP and the objectives of the budget.

The 2013/14 financial year signifies the 2nd year of the current 5-year IDP cycle. Re-allocation of resources was considered in terms of the IDP review, budget realities and sundry strategic considerations.

The principles applied to the MTREF and presented to the BSC informed a number of financial scenarios over the short, medium term and long term. These scenarios are based on revenue and expenditure parameters applied to current financial plans and are utilised to calculate the affordability and sustainability of the City's budget over the medium to long term.

2.1.1 **Budget process overview**

Section 21 of the MFMA requires the Mayor to table a time schedule that sets out the process to draft the IDP and prepare the budget, 10 months before the start of the new financial year. In compliance with this requirement, the IDP- and budget cycle time schedule was tabled to Council on the 29th of August 2012.

In compliance to the above requirements, the budget process for the 2013/14 MTREF period proceeded according to the following timeline:

August 2012

Submission of IDP/Budget timetable to Council for approval; Outline of budget process to EMT; Strategic session with EMT / Mayco / BSC re budget strategy, process and guidance.

September 2012

Mayoral oversight in terms of Section 52 of the MFMA – Mayor provided strategic focus areas and guidance for the budget preparation process in terms of the Integrated Development Plan.

October 2012

Directorates-based consultative sessions with subcouncils; Executive Directors attended Subcouncil meetings in person. Subcouncil comments recorded for consideration during compilation of budget drafts.

BSC consideration of key parameters, drivers and other financial and economic assumptions to be applied to the MTREF-modelled forecasting.

November / December 2012

Service departments workshop their 2013/14 budget proposals with Portfolio Committees, for input to BSC.

Executive Directors and relevant Mayco members do budget presentations to smaller BSC group. Presentations included, inter alia, the directorates' proposed business improvement measures; capital investment plans for 3-year MTREF period and budgeting per strategic alignment to the draft IDP.

December 2012

Refinement of the MTREF model to ensure a credible, affordable and sustainable budget over the medium term.

January / February 2013

Drafting of detailed Operating and Capital Budgets.

March 2013

The draft 2013/14 operating and capital budgets, based on the parameters and assumptions set out in the MTREF model and as influenced by IDP and aligned strategic considerations is scheduled to be tabled at Council by the end of March 2013.

April 2013

The budget, IDP and tariff proposals to be published for comment and consultation as part of the public participation process. Comments received as a result of the public participation process to be submitted to Mayco for consideration.

May 2013

The 2013/14 MTREF budget, as amended, is scheduled for adoption by Council.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The City's Integrated Development Plan (IDP) is its principal strategic planning instrument, which guides and informs its on-going planning, management and development actions. The IDP represents the city administration's commitment to exercise its executive authority (except in cases where it is in conflict with national or provincial legislation, in which case such legislation prevails), and is effectively the local government's blueprint by which it strives to realise its vision for Cape Town in the short, medium and long term.

However, while the IDP represents the strategic intent of the City, it is also compiled with the understanding that a number of challenges will need to be overcome in order to achieve the strategic objectives it sets out. Some of these challenges are known, while others are as yet unknown and may arise at any time due to any number of national and international economic, political or social events.

The 5-Year term of office IDP (2012/13-2016/17) for the City of Cape Town was developed in line with the Term of Office IDP Process Plan (2011/12 -2015/16), approved by Council and the 2012/13 IDP and Budget Time-Schedule of Events approved by the Executive Mayor and noted by Council.

The 2012/13 Time Schedule applicable to the IDP (2012/13-2016/17) review for the City included the following key IDP processes and deliverables:

- Advertisement of time-schedule on website, local newspapers and notice boards;
- Engagement with communities/Ward and Sector organisations to participate in the prioritisation of Council initiatives at Ward, Subcouncil and City-wide level;
- Submission of summary of engagement inputs and responses to public inputs by line departments to Sub councils and Portfolio Committees;
- Table draft Annual Report to Mayco;
- Table draft IDP and Budget Report to Mayco and Council;
- Publication of 2011/12 oversight report;
- Conduct IDP/Corporate Scorecard/Budget Public Hearings to obtain public comment from communities, provincial government and other relevant stakeholders on the draft IDP;
- Final approval of the IDP/Corporate Scorecard and Budget document by Council resolution, setting taxes and tariffs, approving changes to the IDP and budget related policies, approval of measurable performance objectives for revenue by source and expenditure by vote before the start of the financial year;
- Notification of approved 2012/13-2016/17 reviewed IDP and Budget to public;
- Response to public comment in respect of Budget, tariffs and policies;
- Approval of performance agreements by Executive Mayor within 28 days after approval of the IDP and Budget. Submission to the MEC of Local Government and publication within 14 days after approval; and
- Notification of approved 2013/2014 top management performance agreement (S57 employees) to the public.

2.1.3 Community Consultation

In accordance with the MFMA, Municipal Systems Act (32 of 2000) and the Municipal Property Rates Act (6 of 2004), the tabled 2013/14 MTREF and associated documentation will be published for consultation after it is tabled in Council on 27 March 2013.

2.2 Overview of alignment of annual budget with IDP

The city's priority objectives are set out in its Integrated Development Plan (IDP) which provides the strategic framework that guides the city's planning and budgeting over the course of the five year political term. Five pillars have been identified to focus delivery and translate the electoral mandate into the organisational structures of the city.

The 5 strategic focus areas (SFA's) or pillars are:

1. The Opportunity City
2. The Safe City
3. The Caring City
4. The Inclusive City
5. The Well Run City

These pillars are unpacked into twenty three objectives, which are broken down into programmes and projects that are underpinned by the budget. This realistic and sound budget supports the credibility of the process. Resources were allocated firstly through budget prioritisation at a corporate level and pulled through to the directorate and department Business plans.

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

The intergovernmental development agenda for Cape Town

The City engages with the Province and National Government in a structured and functional manner. At a political level, formal engagements between the Provincial Cabinet and the City's Mayoral Committee take place quarterly. At a technical and administrative level, sectoral as well as three formal engagements take place between the Province's Heads of Department as well as the Executive Management Team (EMT) of the City.

These are aimed at ensuring maximum benefit for the City through better planning, coordination and accountability among all spheres of government; enhancing the City's strategic objectives of infrastructure investment for economic growth, service delivery excellence and institutional efficiency; and achieving better and more efficient resource utilisation. In short, all the aforementioned engagements are aimed at ensuring that the City extracts value and benefit from its participation in intergovernmental and international cooperative relations.

The national and provincial priorities, policies and strategies of importance include amongst others:

- National Development Plan
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);

- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The vision of the City of Cape Town is threefold:

- To be a prosperous city that creates an enabling environment for shared economic growth and development
- To achieve effective and equitable service delivery
- To serve the citizens of Cape Town as a well-governed and effectively run administration

The budget is allocated against the five strategic focus areas at a corporate level. This visionary framework is rolled out into objectives, key performance indicators (KPIs) and targets for implementation. These are then broken down into Service Delivery and Budget Implementation Plans (SDBIPs) that reflect the detailed projects. Each of these projects is allocated budgetary and other resources.

The figure below visually represents the link between the IDP and the Budget and demonstrates how corporate strategy is cascaded through the organisation, and how it influences and shapes the operating and capital budgets of the various directorates and departments within the City.

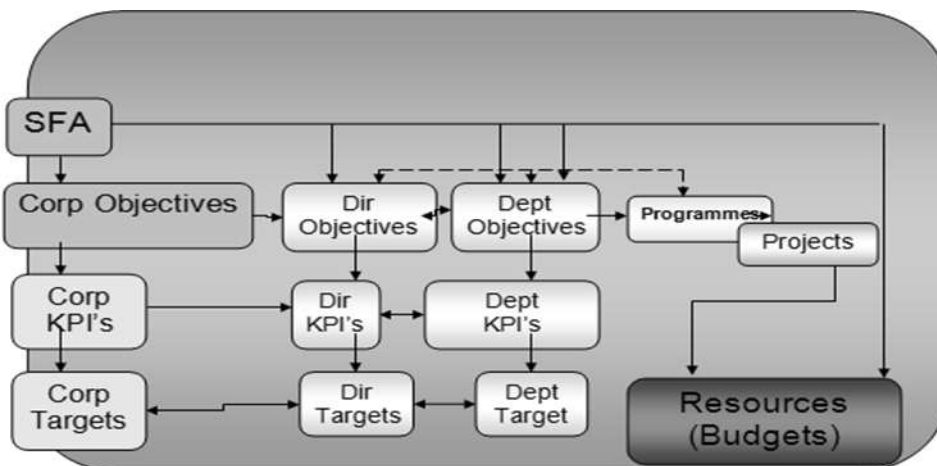


Figure 5 IDP and Budget link

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

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

Strategic Objective	Goal	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
An Opportunity City	Attract investment for econ growth/jobs	55 442	59 381	66 201	69 397	73 247	73 247	77 495	81 676	86 414
An Opportunity City	Prov of economic & social infrastructure	8 950 901	10 499 950	12 129 181	13 533 363	13 653 882	13 653 882	14 663 365	16 056 705	17 594 944
An Opportunity City	Sustainable environment through resource	16 631	19 293	10 307	1 794	4 594	4 594	3 529	1 858	1 907
An Opportunity City	Mobility via effective public transport	42 520	57 345	147 436	578 989	304 979	304 979	362 784	227 796	104 990
An Opportunity City	City Assets for econ growth & developmnt	69 348	82 385	92 403	106 869	108 819	108 819	116 345	122 848	129 956
A Safe City	Expand resources for safety and security	0	-	439	-	-	-	-	-	-
A Safe City	Resource depts for optimum operations	20 120	16 539	27 688	15 571	23 539	23 539	21 361	21 866	23 162
A Safe City	Enhance intelligence-driven policing	187 768	207 414	187 602	196 708	208 607	208 607	211 225	223 054	235 991
A Safe City	Improve emergency staff through training	748	868	569	1 138	1 138	1 138	1 202	1 269	1 342
A Safe City	Safety and security through partnerships	3 983	5 285	4 736	714	714	714	725	765	807
A Caring City	Human settlements for increased access	320 859	228 210	396 751	420 783	547 550	547 550	744 916	840 644	1 159 347
A Caring City	Assess rental stock to beneficiaries	232 192	207 300	207 724	215 512	217 036	217 036	224 071	234 710	245 909
A Caring City	Innovative human settlements access	543 810	571 989	667 063	750 179	749 899	749 899	797 156	848 605	903 817
A Caring City	Effective environmental health services	338	267	611	1 307	1 307	1 307	1 387	1 465	1 550
A Caring City	Provide effective air quality mgnt & pol	1	6	6	603	603	603	637	673	712
A Caring City	Effective primary health care services	259 019	318 697	354 665	396 346	390 244	390 244	418 999	447 317	429 383
An Inclusive City	Response for citizens to be communicated	13	12	16	-	-	-	-	-	-
An Inclusive City	Facilities that make citizens feel home	130 960	170 566	85 411	102 698	114 017	114 017	165 646	110 831	118 232
A Well-Run City	Transparent & corruption free government	2 212	5 251	712	2 505	6 239	6 239	2 645	2 793	2 955
A Well-Run City	Efficient & productive administration	37 795	29 305	34 473	29 522	28 030	28 030	29 505	31 153	32 954
A Well-Run City	Ensure unqualified audits by AG	5 656 003	6 680 580	7 090 690	7 477 658	7 517 103	7 517 103	8 221 054	8 844 973	9 615 405
Allocations to other priorities		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		16 530 661	19 160 643	21 504 683	23 901 656	23 951 546	23 951 546	26 064 049	28 101 001	30 689 776

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

Strategic Objective	Goal	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
An Opportunity City	Attract investment for econ growth/jobs	228 080	234 127	231 506	251 337	297 271	283 838	309 630	332 819	359 354
An Opportunity City	Prov of economic & social infrastructure	8 042 605	9 751 051	11 161 706	12 536 969	12 713 607	12 713 467	13 674 167	14 955 138	16 254 714
An Opportunity City	Sustainable environment through resource	368 880	449 356	527 210	585 797	530 680	530 680	593 659	634 561	711 898
An Opportunity City	Mobility via effective public transport	258 695	339 263	535 367	986 079	786 241	786 241	961 758	868 526	791 953
An Opportunity City	City Assets for econ growth & developmnt	68 709	81 960	92 833	112 059	112 525	112 525	120 380	127 285	134 839
A Safe City	Expand resources for safety and security	1 394	1 078	2 437	1 062	1 067	1 067	1 173	1 271	1 378
A Safe City	Resource depts for optimum operations	771 224	769 754	838 505	979 703	994 348	994 403	1 074 619	1 158 259	1 253 166
A Safe City	Enhance intelligence-driven policing	262 859	269 163	317 731	337 901	338 504	335 488	375 663	403 568	437 697
A Safe City	Improve emergency staff through training	53 800	70 222	73 888	69 572	67 056	67 001	66 770	72 360	78 482
A Safe City	Safety and security through partnerships	34 295	41 401	51 331	52 681	56 329	56 069	66 356	72 224	78 265
A Caring City	Human settlements for increased access	418 645	337 192	401 830	533 472	624 572	624 022	928 110	1 037 014	1 360 546
A Caring City	Assess rental stock to beneficiaries	343 443	300 285	341 451	374 318	389 656	389 656	322 174	346 083	372 275
A Caring City	Innovative human settlements access	424 747	446 545	495 777	596 460	648 714	653 714	703 392	743 648	814 608
A Caring City	Effective environmental health services	99 234	114 755	116 296	128 552	125 795	125 796	137 789	149 226	161 817
A Caring City	Provide effective air quality mgnt & pol	7 046	8 768	7 568	9 377	9 697	9 697	10 171	11 007	11 924
A Caring City	Effective primary health care services	467 657	535 373	604 674	688 248	683 518	683 517	751 268	801 390	807 765
An Inclusive City	Response for citizens to be communicated	34 405	35 330	39 962	46 790	43 463	43 213	54 735	59 031	63 770
An Inclusive City	Facilities that make citizens feel home	1 466 114	1 530 129	1 547 125	1 678 395	1 747 699	1 747 699	1 841 630	1 948 166	2 100 759
A Well-Run City	Transparent & corruption free government	266 323	276 797	321 734	469 513	439 720	438 386	481 661	518 705	553 822
A Well-Run City	Efficient & productive administration	1 431 279	1 613 543	1 882 608	1 777 737	1 756 136	1 771 559	1 604 132	1 725 497	1 852 954
A Well-Run City	Ensure unqualified audits by AG	1 385 576	1 442 414	1 587 976	2 146 402	2 069 720	2 068 280	2 228 774	2 403 396	2 719 723
Total Expenditure		16 435 008	18 648 506	21 179 513	24 362 425	24 436 318	24 436 318	26 308 008	28 369 172	30 921 710

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

Strategic Objective	Goal	Goal Code	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Shared Economic Growth and Development		A	1 382 759	-	-	-	-	-	-	-	-
Sustainable Urban Infrastructure and Services		B	1 754 228	-	-	-	-	-	-	-	-
Public Transport Systems		C	794 056	-	-	-	-	-	-	-	-
Integrated Human Settlements		D	257 194	-	-	-	-	-	-	-	-
Safety and Security		E	74 403	-	-	-	-	-	-	-	-
Health, social and community development		F	91 339	-	-	-	-	-	-	-	-
Good Governance and Regulatory Reform		G	308 948	-	-	-	-	-	-	-	-
Shared Economic Growth & Development		H	-	166 745	-	-	-	-	-	-	-
Sustainable Urban Infrastr. & Services		I	-	1 461 182	-	-	-	-	-	-	-
Energy efficiency -sustainable future		O	-	1 000	-	-	-	-	-	-	-
Public Transport Systems		J	-	480 181	-	-	-	-	-	-	-
Integrated Human Settlements		K	-	350 795	-	-	-	-	-	-	-
Safety and Security		L	-	28 972	-	-	-	-	-	-	-
Health, social & community develop.		M	-	76 545	-	-	-	-	-	-	-
Good Governance and Regulatory Reform		N	-	292 345	-	-	-	-	-	-	-
An Opportunity City		a	-	-	3 263 230	-	-	-	-	-	-
A Safe City		b	-	-	85 331	-	-	-	-	-	-
A Caring City		c	-	-	594 778	-	-	-	-	-	-
An Inclusive City		d	-	-	201 885	-	-	-	-	-	-
A Well-Run City		e	-	-	88 021	-	-	-	-	-	-
An Opportunity City	Create environment to attract investment	1.1	-	-	-	7 170	13 810	13 810	41 636	104 950	66 000
	Mobility via an effective public transport system	1.4	-	-	-	1 918 506	2 120 258	2 120 258	226 276	149 894	154 114
	Promote sustainable environment through resources	1.3	-	-	-	34 471	73 848	76 840	48 611	75 673	80 891
	Provide economic and social infrastructure	1.2	-	-	-	2 683 360	2 672 675	2 651 954	3 845 929	3 816 728	4 353 001
	The city's assets for economic growth and develop	1.5	-	-	-	43 439	5 263	4 937	2 699	1 826	-
	Enhance intelligence-driven policing	2.3	-	-	-	9 457	7 301	7 301	19 888	10 300	7 500
	Expand resources for safety and security	2.1	-	-	-	-	7	7	450	165	-
	Improve emergency staff through effective training	2.4	-	-	-	3 630	2 380	2 380	2 300	500	300
	Improve safety and security through partnerships	2.5	-	-	-	13 541	35 535	34 033	20 237	4 351	5 000
	Resource depts for optimum operations	2.2	-	-	-	71 330	78 636	76 878	48 800	50 026	36 714
	Assess rental stock to beneficiaries	3.3	-	-	-	337 623	358 874	355 453	392 350	265 175	17 371
	Ensure human settlements for increased access	3.2	-	-	-	273 225	332 165	326 393	242 591	166 681	150 662
	Improved servs in informal settlements & byard res	3.4	-	-	-	135 468	80 416	77 416	80 736	128 804	173 900
	Provide access to social services	3.1	-	-	-	10 958	9 521	9 162	7 550	10 471	3 491
	Provide effect air quality mngt & pollution	3.6	-	-	-	400	460	460	500	-	-
	Provide effective environmental health services	3.5	-	-	-	16 597	18 696	15 696	8 500	3 600	3 696
	Provide effective primary health-care services	3.7	-	-	-	20 393	24 977	24 977	17 646	16 796	24 700
An Inclusive City	Ensure a transparent and corruption free government	5.1	-	-	-	-	-	-	-	-	-
	Provide facilities that make citizens feel home	4.2	-	-	-	227 801	206 989	207 002	258 906	209 498	189 232
	Response for citizens to be communicated with	4.1	-	-	-	17 608	57 978	57 501	55 666	18 672	5 722
	Efficient + productive admin to prioritise delivery	5.2	-	-	-	13 763	17 306	17 041	19 412	32 479	39 754
	Ensure financial prudence, with clean audits by the Auditor General	5.3	-	-	-	87 871	104 714	104 066	76 000	71 118	68 081
Total Capital Expenditure			4 662 927	2 857 764	4 233 245	5 926 610	6 221 809	6 183 565	5 416 684	5 137 705	5 380 129

2.3 Measurable performance objectives and indicators

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

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

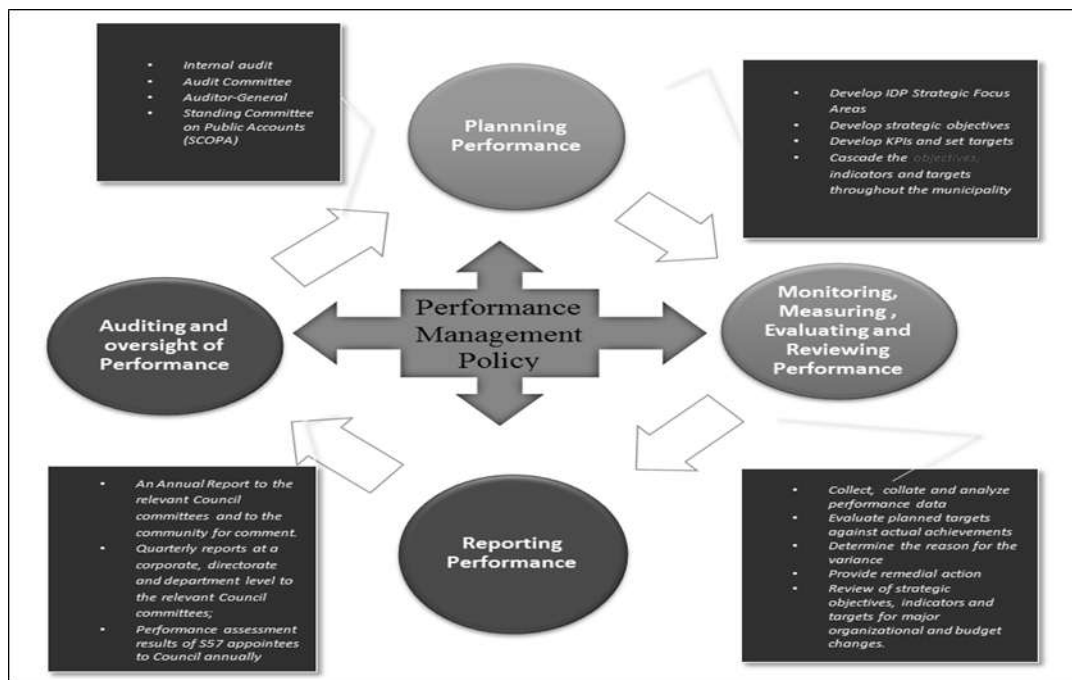


Figure 6 The Cycle and process of the performance objectives and indicators

Planning Performance

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

The planning cycle delivers a five year and annually reviewed IDP (including a Corporate Scorecard with definitions), an annual Corporate SDBIP, Directorate Executive Summaries (including SDBIPs), Departmental Business Plans and SDBIPs, Performance Indicator Measurement Sheets, S57 Performance Plans and Individual Performance Assessments.

Planning ensures that clear strategic direction is set and prioritised. Planning is informed by feedback on performance. This is the stage where Strategic Focus Areas (SFAs), objectives, performance indicators and targets are determined. Indicators measure the extent to which objectives are being achieved, indicating performance in relation to outcomes, outputs, activities and inputs. Targets set the level of performance to be achieved within a defined period of time.

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

The IDP will be set for the five year term of office of the elected council and reviewed annually. It will include the SFAs, corporate objectives (strategic objectives), corporate indicators and targets. There

will be a direct relationship between the SFA, corporate objective, corporate indicator and target. The actual achievements of targets set for the objectives will be reported on quarterly bases where appropriate. They will form the platform for the quarterly and annual reports on performance.

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

Monitoring, measuring, evaluating and reviewing performance

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

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

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

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

Reporting performance includes an Annual Report to the relevant Council committees and to the community for comment and Quarterly reports at corporate, directorate and department level to the relevant Council committees.

Auditing and Oversight

Internal Audit and Audit Committee (includes the Performance Management committee) review the OPM system for functionality, performance information and compliance. The Auditor General and Standing Committee on Public Accounts (SCOPA) reviews the Annual Report.

The measurable performance objectives to be accomplished in 2013/14 will be submitted under separate cover to the Council meeting on 27 March 2013. It will be incorporated into the budget document that will be submitted for approval to Council in May 2013.

The following table sets out the main performance objectives and benchmarks for the 2013/14 MTREF:

Table 35 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Borrowing Management</u>										
Credit Rating		Aa2	Aa2	Aa2	Aa2	Aa3	Aa3			
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	6.8%	5.2%	4.2%	3.6%	3.8%	3.8%	4.6%	4.5%	4.7%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	7.3%	5.5%	4.4%	4.0%	4.2%	4.2%	5.2%	5.0%	5.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	76.7%	0.0%	0.0%	77.2%	94.6%	95.1%	0.0%	74.1%	43.9%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	233.7%	231.3%	225.9%	364.8%	328.8%	328.8%	319.1%	420.8%	454.2%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	1.5	1.6	1.5	1.6	1.5	1.5	1.3	1.4	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.5	1.6	1.5	1.6	1.5	1.5	1.3	1.4	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	0.8	0.9	0.9	0.8	0.9	0.9	0.7	0.8	0.8
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	84.8%	94.4%	95.5%	92.5%	94.4%	0.0%	94.6%	94.7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	84.5%	94.4%	95.5%	92.5%	94.4%	0.0%	94.6%	94.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	23.1%	21.1%	20.5%	18.6%	18.5%	18.5%	18.0%	17.7%	17.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))	95.7%	96.3%	95.6%	95.6%	96.2%	96.2%	0.0%	0.0%	0.0%
Creditors to Cash and Investments		46.3%	63.3%	61.4%	263.1%	54.7%	54.7%	74.2%	62.8%	59.1%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	809 898 232	931 440 224	1 118 030 251	966 996 755	966 996 755	966 996 755	966 996 755	966 996 755	966 996 755
	Total Cost of Losses (Rand '000)	260 075	381 890	577 792	554 710	554 710	554 710	598 310	657 663	718 562
Water Distribution Losses (2)	Total Volume Losses (kℓ)	83 274 564	75 978 841	68 887 483	62 928 715	62 928 715	50 400 000	49 928 750	49 445 000	48 948 750
	Total Cost of Losses (Rand '000)	215 681	216 540	208 040	202 630	202 630	202 630	200 241	202 207	210 673
Employee costs	Employee costs/(Total Revenue - capital revenue)	33.8%	32.0%	32.2%	32.5%	32.0%	32.0%	31.6%	31.8%	31.7%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.5%	32.6%	32.8%	33.2%	32.6%	32.6%	32.2%	32.5%	32.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	9.5%	8.9%	8.8%	10.8%	10.9%	10.9%	11.2%	11.4%	11.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.9%	10.4%	9.7%	9.3%	9.8%	9.8%	10.7%	10.8%	11.0%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	20.3	23.3	34.2	33.1	33.1	33.1	27.1	29.4	31.9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	28.9%	25.9%	25.3%	23.1%	22.9%	22.9%	22.7%	22.1%	21.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5.9	4.1	4.2	0.7	4.4	4.4	3.4	3.5	3.3

2.3.1 Performance indicators and benchmarks

2.3.1.1 *Borrowing Management*

The City's capital expenditure is funded from four sources, namely, government grants, public contributions and donations, borrowing and internally generated funds. The City's borrowing is done in terms of chapter 6 of the MFMA and the City's borrowing policy, where a long term loan will only be entered into if it's affordable and sustainable.

It is further dependent on the City's credit rating which is rated by Moody's Investor Services. The City needs a credit rating to demonstrate its ability to meet its financial obligation. Potential lenders also use it to assess the City's credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework. Moody Investor Services has downgraded the City's credit rating from Aa2 to Aa3 in December 2012, due to South Africa's national rating being downgraded from A3 to Baa1. The City has achieved an Aa2 rating for the past 4 years prior to last year's downgrade.

The following financial performance indicators have formed part of the compilation of the 2013/14 MTREF:

- Capital charges to operating expenditure are the measure of the cost of borrowing in relation to the operating expenditure. This ratio averages 4.6% over the 2013/14 MTREF which indicates that the City spends an average of approximately 4% of its operating expenditure budget annually on finance charges, which is considered feasible and sustainable.
- Borrowing funding as a ratio of own capital expenditure reflects the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The ratio shows 0% for 2013/14 which is as a result of not taking up a loan in 2013/14 due to the City's healthy cash position. The ratio averages 59% over the two outer years of the 2013/14 MTREF. This ratio shows that the City's borrowing is affordable and sustainable over the medium term.

2.3.1.2 *Safety of Capital*

- The gearing ratio is a measure of the total long term borrowings over funds and reserves. The City does not agree with the methodology applied to calculate this ratio. The calculation preferred should be debt less cash and bank balances divided by community wealth/equity, of which the City's outcome over the 2013/14 MTREF averages 5%. This outcome is due to the low borrowing and the good cash position of the City.

2.3.1.3 *Liquidity*

- Current ratio measures the extent which current assets cover current liabilities. It is preferable that the ratio is at least above one. This ratio for the City averages 1.4 over the 2013/14 MTREF.
- The liquidity ratio is a measure of the ability of the City to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally a municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. In this instance the City also does not agree with the methodology applied to calculate the ratio. The preferred calculation is current assets less inventory, divided by current liabilities. This ratio for the City averages 1.35 over the 2013/14 MTREF.

2.3.1.4 Revenue Management

- Debt Management actions, including legal actions are carried out against debtors who can pay, but choose not to, with a special focus on the top 1000 debtors, government accounts, staff and councillor arrears, businesses and irrecoverable debt.
- Debtors who are experiencing difficulties in paying their accounts are given options to either enter into payment arrangements or to apply to be registered as indigent or apply for rates rebates offered.
- The City provides the option of an affordable payment plan for debtors to settle their arrears, where compliance with the agreed payment plan leads to the suspension of all debt management actions and interest being raised until the arrears are paid in full .
- In addition to the above, the City's strategy for the Indigent debtors are as follows:
 - water leaks are fixed on all indigent properties, free of charge
 - water demand management devices (WDM) and prepaid electricity meters are installed free of charge
 - once the water leaks have been repaired and the WDMs and pre-paid electricity meters are installed, a once off write off is done of all outstanding debt.
 - Council has approved the writing off of all interest charges as well as the stopping of interest charges from being raised/billed on indigent properties, until the water leaks have been repaired ,the WDMs and the pre-paid electricity meters have been installed

2.3.1.5 Creditors Management

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

2.3.1.6 Other Indicators

- Past performance and projections forward shows that Electricity distribution losses is kept constant at 967 million kW. The City has strategies to reduce the losses; however there is a limit to what can be done with limited resources in the short term and the extent to which losses can be limited. Historically the losses have remained fairly constant, but well below international benchmarks, so budgeting for a constant loss factor is prudent.
- Water distribution losses are expected to reduce from 49 million kl in 2013/14 to 48 million kl in 2015/16. High priority is being given to a comprehensive water loss reduction strategy with detail action plans being developed for each of the physical or real losses and commercial losses. Water and Sanitation Services are applying the resources required to implement Water Demand Management interventions, including:
 - Reduction of non-revenue water (Water Demand Management Device and Smart Metering),
 - Reduction of high pressure, minimum night flow for residential consumers,
 - Leak Detection and repair,
 - Education and awareness programmes,
 - Retrofitting and leak and meter repair programmes, and
 - Pipe replacement, treated effluent re-use, water restrictions and stepped tariffs.

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

The free basic services described in section 1.4.2 *Free Basic Services: Basic Social Services Package* on page 20 are provided on the basis that as the value of the property increases above R100 000 it is deemed that there should be some funds available to pay a small portion of the costs of the services, gradually increasing till the full costs (less the rebates granted to all residential properties) are billed when the valuation exceeds R400 001. These value driven rebates are allocated automatically by the billing system when the invoices are produced, the administration costs are therefore absolutely minimal.

Residents needing free basic services in addition to that provided via the billing system register with the City on a periodic basis to receive the same benefits as if their property values were below R100 000.

Residential properties valued higher than R400 000 pay the normal municipal rates and tariffs, after allowing the valuation rebate R200 000, 6 kilolitres free water and 4.2 kilolitres free sanitation. Properties valued between R350 001 and R400 000 receive a 25% rebate on refuse removal charges. Properties valued between R300 001 and R350 000 receive a rebate of 50% on refuse removal charges. Properties valued between R200 001 and R300 000 receive a rebate of 50% on refuse removal and an indigent grant of R67.42 per month to provide an additional 4.5 kilolitres of free water (in addition to the 6 kilolitres per month provided free to all residential properties) and free sanitation (based on the water consumption). Properties valued between R150 001 and R200 000 receive a 50% rebate on refuse removal charges, the R67.42 on water and sanitation charges and a 100% rebate on rates. Properties valued between R100 001 and R150 000 receive a 75% rebate on refuse removal charges, the R67.42 on water and sanitation and a 100% rebate on rates. Properties valued at R100 000 or below receive a 100% rebate on refuse removal, the R67.42 on water and sanitation and a 100% rebate on rates.

The free services provided to the households in informal settlements are not included in this document. Such services include water via standpipes, refuse removal via skips or bags and access to rate funded services such as clinics, libraries, etc.

2.3.3 Providing clean water and managing waste water

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

Blue Drop status

The entire water supply system (including the City owned catchments, dams, the 11 water treatment plants, the bulk conveyance system and the whole distribution system) was assessed for the 2009, 2010, 2011 and 2012 Blue Drop performance ratings by the Department of Water Affairs. Subsequent to achieving 100% in the 2009 assessment, the City scored a 98.2%, 97.2 and 98.14% respectively in the more stringent following assessments. Since the inception of the Blue Drop programme, the City has been in the top scores for the country.

The Water Service Provider constantly strives to improve its performance with respect to water quality management and the Water Safety Plan, including Risk Assessments, etc. are integrated into its management processes. No major corrective interventions are currently required in terms of this

plan, but provision is made in the normal budget allocations to maintain the set standards already achieved.

Green Drop status

The City has a risk approach in place whereby the strategic risks to the wastewater business have been identified, rated and mitigation measures put in place. The plan is being implemented and there is a match between the resources allocation and the critical risks in the Wastewater Risk Abatement Plan. This document is reviewed to further refine prioritisation of the risks and resource allocation.

The City has clear objectives based on a sound baseline and knowledge of their processes and technologies. The application of risk management and abatement is an integral part of the wastewater business. The risk trend is overall encouraging with 19 of the 26 plants showing improved Cumulative Risk Rating (CRR%) deviation ratios. The remaining 7 plants shows declined risk positions, and the Wastewater Risk Abatement Plan needs expansion to improve upon these systems.

The City displays a strong commitment to wastewater and Green Drop and has a very good understanding of the CRR baseline and its approach, which they use in internal performance reviews. Management continues to impress with their readiness and dedication to participate and strives to continuous improvement.

Areas requiring attention

The primary problems the municipality is experiencing are that of ageing infrastructure, rapid population growth, maintenance of the existing assets and a shortage of relevant skills. These problems are being experienced throughout the Republic and the City of Cape Town is addressing such via recruitment of appropriate staff, training existing staff in an effort to minimise the shortage of trained experienced resources, formulation of comprehensive long term Master Plans, improve business processes, allocating financial resources to create new facilities, expand as well as maintaining existing assets.

2013/14 Budget and MTREF proposed allocations

Capital Budget

The capital budget is allocated for increased treatment capacity, process improvements or improved effluent quality. Both the total project cost and the proposed 2013/14 capital budget are shown below.

Table 36 Wastewater Treatment Facility Capital Budget

Wastewater Treatment Facility	Project	2012/2013 Budget	2013/2014 Budget
R Thousand			
Athlone	3 no. Additional Primary Settlement Tanks and associated equipment	500	0
Bellville	20 Ml/d increase in treatment capacity	89 000	8 000
Cape Flats	Disinfection of Effluent	-	5 000
Kraaifontein / Fisantekraal	Upgrade RAS Pump Station	-	0
Potsdam	Increase in treatment capacity	21 000	58 300
Zandvliet	18 ML/ d increase in treatment capacity	10 000	54 050
Northern Area Sludge Processing Facility	Northern Area Sludge Processing Facility	-	0
Borherds Quarry	Replacement of Centrifuges with Belt Presses	11 000	0
Mitchells Plain	Replacement of Centrifuges with Belt Presses	5 000	0
Macassar	Capacity extension of 16Ml/d required	2 000	14 400
Klipheuwel	Require by pass and holding facility when Septic tank requires cleaning	500	0
Total for New Infrastructure		139 000	139 750

Operating Budget

The proposed 2013/14 operating budget is shown below.

Table 37 Wastewater Treatment Facility Operating Budget

Category	2012/2013 Budget	2013/2014 Budget
R Thousand		
Remuneration	79 659	90 683
Depreciation	54 477	67 118
Repairs & Maintenance	70 855	67 488
Contracted Services	61 089	64 473
General Expenses	121 702	157 102
Interest Internal Borrowings	70 351	68 245
Appropriation Account	64 819	110 465
Internal Utilities Expenditure	69 566	81 054
Insurance Departmental	4 739	4 684
Activity Based Costs	22 722	25 608
Support Services	34 085	33 892
Total Income Statement Expense	654 064	770 812

2.4 Overview of budget related-policies

2.4.1 Approved policies

The following budget-related policies have been approved by Council and are available on the City's website.

- Mayor's Special Fund – approved May 2010
- Funding and Reserves Policy – approved May 2010
- Supply Chain Management Policy – approved December 2011
- Virement Policy – approved June 2011

- Cash Management and Investment Policy – approved 27 February 2013
- Asset Management Policy - approved 27 February 2013

2.4.2 Draft policies and policies reviewed

The following budget-related policies have been drafted or reviewed and will be tabled at Council with this document:

- Draft Long Term Financial Plan Policy – Annexure 14
- Draft Budget Management and Oversight Policy – Annexure 15
- Draft Unforeseen and Unavoidable Expenditure Policy – Annexure 16
- Draft Policy Governing Adjustment Budgets – Annexure 17
- Draft Policy Governing Planning and Approval of Capital Projects – Annexure 18
- Draft Fare Policy for Contracted, Road-Based Public Transport – Annexure 19
- Amended Virement Policy – Annexure 20. Section 7.4 now reads ‘similar major fund sources’ instead of ‘similar funding sources’.

2.4.3 Credit control and debt collection procedures/policies

This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 2000 and the Credit Control and Debt Collection By-Law. The Policy also includes the Indigent Policy as per Annexure 8.

2.4.4 Tariff Policies

The Municipal System Act requires Council to adopt a Tariff Policy. The general financial management functions covered in section 62 of the MFMA include the implementation of a tariff policy. Specific legislation applicable to each service has been taken into consideration when determining this policy. The General Tariff Policy and subsequent Water and Sanitation, Electricity and Waste Management Tariff Policies are attached as Annexure 7.

2.5 Overview of budget assumptions applied to the 2013/14 MTREF

Introduction

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

The Municipal Budget and Reporting Regulations, (Part 2; Budget-related policies of municipalities) require the accounting officer to ensure that budget-related policies are prepared and submitted to Council. One of these policies relates to the long-term financial plan, which aims to ensure that all long-term financial planning is based on a structured and consistent methodology, thereby ensuring long-term financial affordability and sustainability.

A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan (IDP). It provides guidance

for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The City has developed a financial model (Medium Term Revenue and Expenditure Framework - MTREF) that aims to determine the appropriate mix of financial parameters and assumptions within which the City should operate to facilitate budgets which are affordable and sustainable at least 10 years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality's operating budget.

The MTREF model is reviewed annually to determine the most affordable level at which the municipality can operate optimally taking the fiscal overview, economic climate, National and Provincial influences, IDP and other legislative imperatives, internal governance and community consultation into account in its deliberations.

2.5.1 Financial Strategic Approach

The 2013/14 MTREF period represents the 2nd year of the City's 5-year IDP period. In performing her duties in terms of section 53 of the MFMA, the Mayor identified certain strategic areas as focal points of the MTREF period and which are encapsulated in the IDP. The current 3-year MTREF reflects extensive investment in these. These focus areas are:

1. Expanding the Broadband roll-out
2. Land acquisition
3. Expanded Public Works Programme (EPWP)
4. Electrification
5. Backyarder & Janitorial services
6. Mayoral Urban Regeneration
7. Human Settlement – city funding
8. Redress projects in previously disadvantaged wards
9. Planning, DFU and incentives
10. Skills development
11. Integrated Rapid Transport (IRT)

The theme of the 2013/14 MTREF is “optimal service delivery within an affordable tariff structure” i.e. budgeting to fit the City's strategy with the resources at its disposal. In ensuring this, various measures had to be taken and will be discussed in the paragraphs below.

The 2013/14 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the current economic outlook and consultation with various role players. The process encompassed the following:

- MTREF presentations to EMT and BSC (Budget Steering Committee)
- Subcouncil budget consultations – attended by Executive Directors
- IDP community consultations
- Presentations by Directorates to a smaller BSC group on their business improvement measurements, capital investment plans for 3-year MTREF period
- Presentations by the Trading services with regard to their proposed budgets and tariff increases.

2.5.2 Financial Modelling and Key Planning Drivers

The outcome of the MTREF modeling performed incorporates the strategic focus areas of the IDP as well as core economic, financial and technical data obtained at local and national level. The ensuing paragraphs outline the assumptions on which the MTREF was compiled.

The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher than inflation Repairs and Maintenance provisions to attain nationally benchmarked levels to ensure and enhance preservation of the City’s infrastructure.
- Higher increases to selected cost elements subjected to higher than average inflationary pressure, e.g. staff costs.
- General expenses (e.g. catering, entertainment, public functions and travelling and subsistence) were adjusted downwards by R103m to give effect to NT circular 66 and to ensure affordability.
- Reducing the vacancy provision by R42m.
- City funding provision of R122m in 2013/14 for EPWP and a further R17m for the Mayor’s Urban Regeneration project.
- A 100% capital expenditure implementation rate assumed
- Credible collection rates based on collection achievements to date and incorporating improved success anticipated in selected revenue items.
- National and Provincial allocations as per the 2013 DORb and 2013 Western Cape Provincial gazette.

2.5.3 General inflation outlook and its impact on municipal activities

CPI projected for the City is 5.6% for 2013/14 and 2014/15 and 5.8% for 2015/16. These levels are within the SARB inflation targeting range of between 3% to 6% range and is depicted in the graph below.

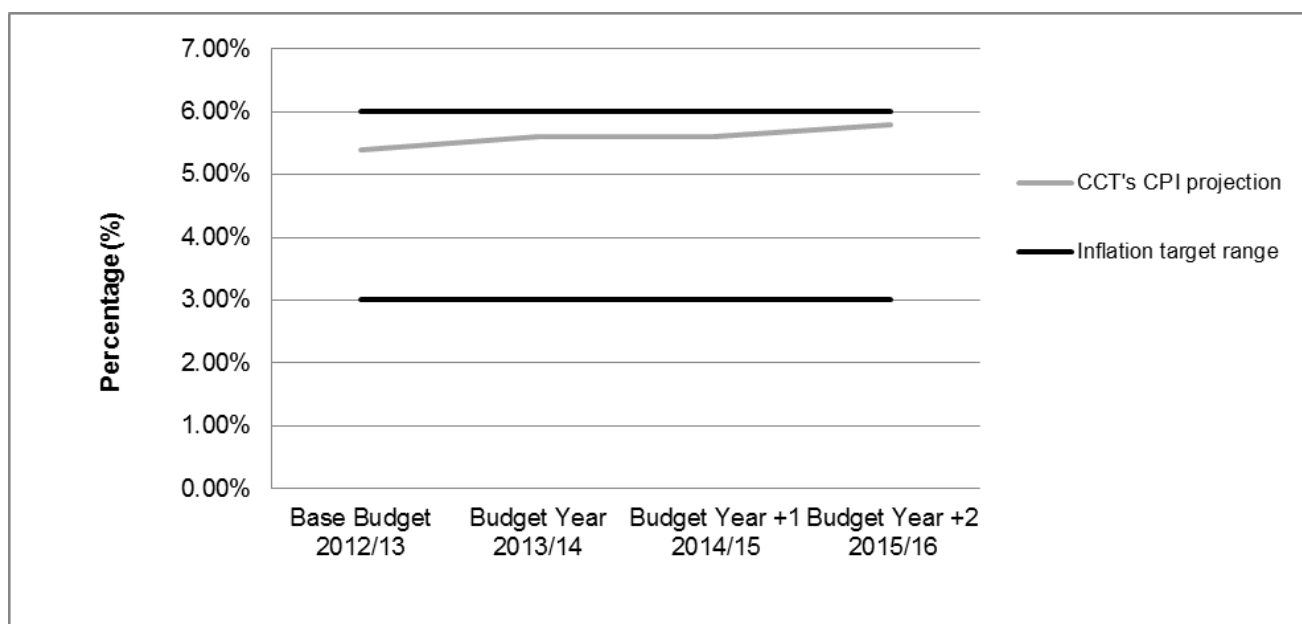


Figure 7 Consumer price index projections adopted in the MTREF

2.5.4 Economic outlook / external factors

South Africa’s economic outlook is dependent on both domestic and international factors. Domestically the economy is still absorbing the impact of recent strike action in the mining and farming sectors, whereas on the international front the European financial crisis still poses a risk. In light of this, the Bureau of Economic Research (BER) revised the GDP growth projection for 2013 downwards by 0.7 percentage points to 2.6%. The BER further projects GDP to recover in 2014, projecting an average GDP growth of 3.6% for both 2014 and 2015.

Oil prices are currently volatile due to uncertainties around potential supply disruptions stemming from political tension in the Middle East, Iran’s nuclear capabilities and hostilities between Turkey and Syria. As a result of this BER have projected oil prices to remain at the high rate of between \$100 to \$110 per barrel for 2014. BER further forecasts the Rand to end 2013 at an average of R8.57/\$ and is expected to end 2014 at R8.43/\$.

New Consumer Price Index (CPI) weights will be implemented from January 2013, which will attach a larger weighting to food costs. Notwithstanding that, CPI is expected to remain within the South African Reserve Bank (SARB) inflation target range of between 3% and 6%. CPI forecasts for the next 3 years are expected to remain at the upper end of the range due to food, petrol and energy costs. The graph below depicts the CPI for the past years and projections for the next 5 years as per BER. Due to the abovementioned factors, interest rates are expected to remain constant in 2013 and 2014, with minor increases, but is expected to increase from 2015 onwards. The graph below shows the CPI trend actual and forecast for 12 years as per BER.

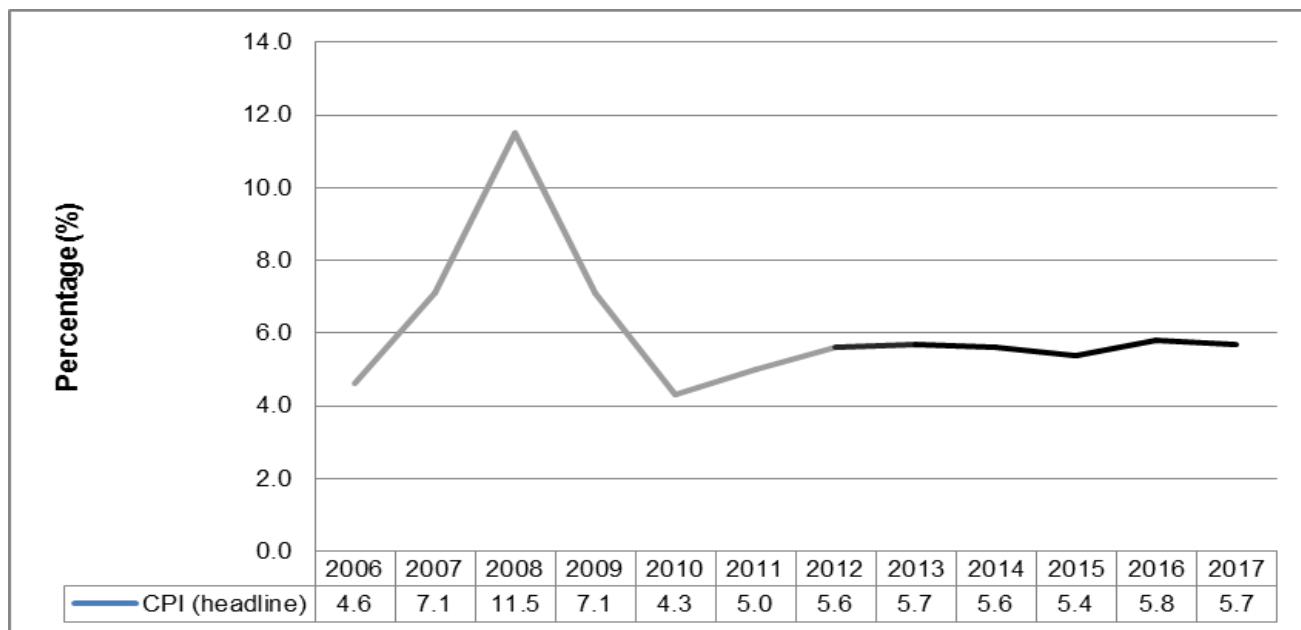


Figure 8 Consumer Price Index over recent and future years (projected)

BER has forecasted CPI as 5.7%, 5.6% and 5.4% for the calendar years 2013 to 2015 respectively. The City’s forecasted CPI in municipal financial years is 5.6% for 2013/14 and 2014/15 and 5.8% for 2015/16.

Borrowing and Credit rating outlook

The City's borrowing is done in terms of the City's borrowing policy and is influenced by the capital investment / EFF requirement for the 2013/14 MTREF. The City requires a credit rating to demonstrate its ability to meet its financial obligations. Potential lenders also use this rating to assess the City's credit risk, which in turn affects the pricing of any subsequent loans taken. Factors used to evaluate the creditworthiness of municipalities include the economy, debt, finances, politics, management and institutional framework.

Moody's maintained the rating and outlook for the City as 'double A' (Aa2.za) for the past four years. In 2012, due to the South Africa's national rating being downgraded from A3 to Baa1 the City's rating was also downgraded to Aa3. The City's rating is as follows:

Table 38 Credit rating outlook

Category	Currency	Rating 14 Dec 2012	Previous Rating 03 Oct 2012	Previous Rating 30 March 2012
Outlook	-	Negative	Negative	Negative
NSR Issuer Rating	Rand	Aa3.za	Aa3.za	Aa2.za
NSR ST Issuer Rating	Rand	P-1.za	P-1.za	P-1.za
NSR Senior Unsecured	Rand	Aa3.za	Aa3.za	Aa2.za

The definitions of the rating categories are:

Negative Outlook - reflects that a credit rating assigned to an issuer which may be lowered.

NSR Issuer Rating – Aa3.za – Issuers or issues rated A.n present above average credit worthiness relative to other domestic issuers.

NSR Issuer Rating – Aa2.za – Issuers or issues rated Aa.n demonstrate very strong creditworthiness relative to other domestic issuers.

NSR ST Issuer Rating – P-1.za – Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

NSR Senior Unsecured – Issuers demonstrate very strong creditworthiness relative to other domestic issuers.

National and provincial influences

The Local Government Budgets and Expenditure Review published by National Treasury highlighted the following areas as requiring particular attention by municipalities:

- Revenue management – municipalities need to ensure that billing systems are accurate, send out accounts to residents and follow up to collect revenues owed.
- Collecting outstanding debts – This requires political commitment, sufficient administrative capacity, and pricing policies that ensure that bills are accurate and affordable.
- Pricing services correctly – The full cost of services should be reflected in the price charged to residents who can afford to pay. Many municipalities offer overly generous subsidies and rebates that result in services being run at a loss, resulting in funds being diverted away from other priorities.
- Underspending on repairs and maintenance – Often seen as a way to reduce spending in the short term, underspending on maintenance can shorten the life of assets, increase long-term maintenance and refurbishment costs, and cause a deterioration in the reliability of services.

- Spending on non-priorities – Many municipalities spend significant amounts on non-priority items including unnecessary travel, luxury furnishings, excessive catering and unwarranted public relations projects. Consultants are often used to perform routine tasks. Considering the pressurised economic climate continued spending on non-priority wants cannot be sustained.

NT Circular 66 urged municipalities to work through this review in preparation of their 2013/14 MTREF.

A further major influence of National Government on municipalities’ budget process was the review of the equitable share formula (discussed below). In line with the National and Provincial themes of job creation, service delivery and social responsibility, the City reflects these in its IDP and it was also highlighted in the Mayor’s focus areas.

2.5.5 Interest rates for borrowing and investment of funds

Borrowing interest rates is factored at a prime rate of 10.06% for 2013/14 and is expected to increase to 10.89% in 2015/16. The investment interest rate has plummeted from the previous financial period by 1.04%, 5.00% was applied for 2013/14 and is expected to increase to 5.88% in 2015/16.

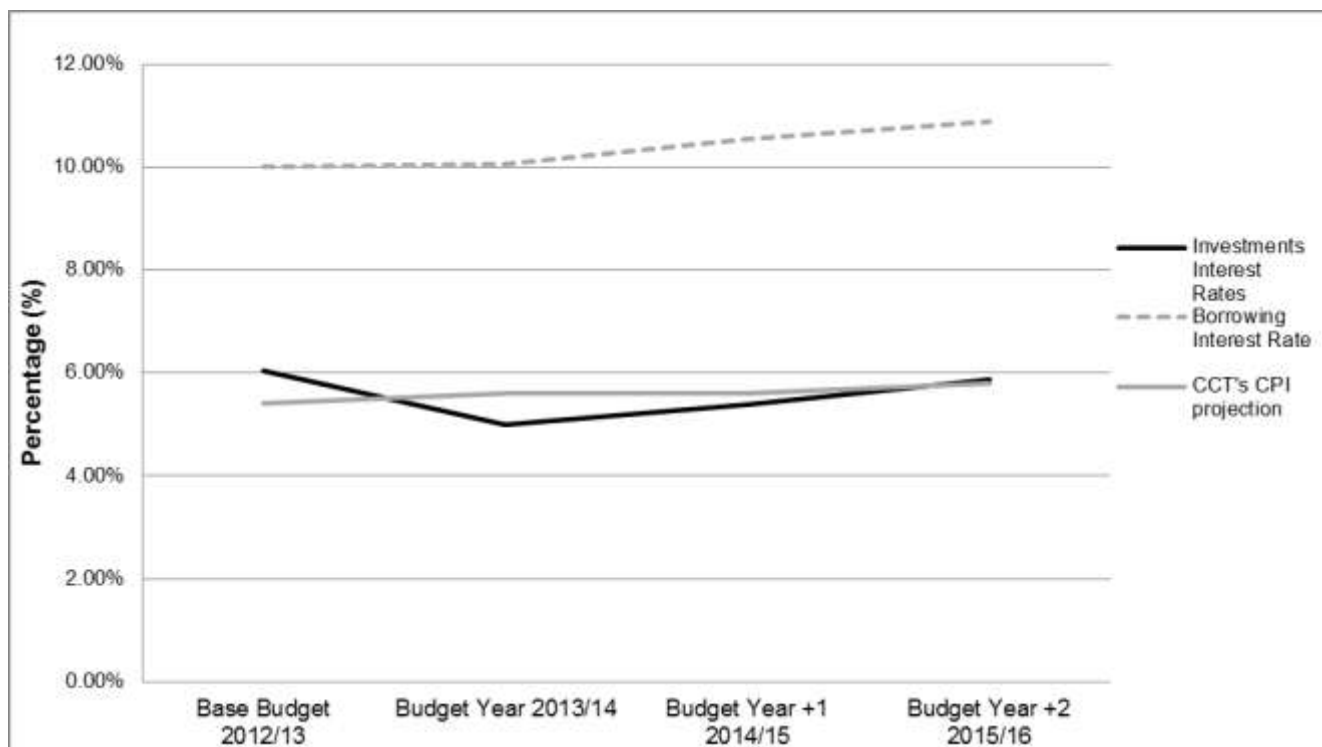


Figure 9 Interest rates over the MTREF

2.5.6 Collection rate for revenue services

In accordance with relevant legislation and national directives, the City’s projected revenue recovery rates are based on realistic and sustainable trends. In calculating the working capital reserve, the following collection ratios were applied:

Table 39 Collection Rates

Service	Base Budget 2012/13	2013/14	2014/15	2015/16
Property Rates	96.00%	96.00%	96.00%	96.00%
Electricity	97.00%	98.00%	98.00%	98.00%
Water	91.50%	92.50%	93.50%	94.00%
Sewerage	91.50%	92.50%	93.50%	94.00%
Refuse	95.00%	93.00%	93.00%	93.00%
Housing	45.00%	47.00%	48.50%	49.50%

Property Rates and Refuse collection ratios are expected to remain constant over the 2013/14 MTREF period. Electricity Services collection rate is expected to increase from 2012/13 to 2013/14, in line with recent years' trends. The increase in the Water and Sanitation collection ratio is due to the initiative to reduce debt, which include the increases to the number of debt actions and additional rollout of water management devices. Housing collection ratio is also expected to increase over the 2013/14 MTREF, which is due to initiatives that includes amongst other, expanded housing debt management and the Payers Incentive Scheme.

A R995 million contribution towards bad debts was provided for in the MTREF and is based on an average collection ratio of 94% (excludes Housing). The graph below shows the provision of bad debts for the period 2011/12 to 2015/16.

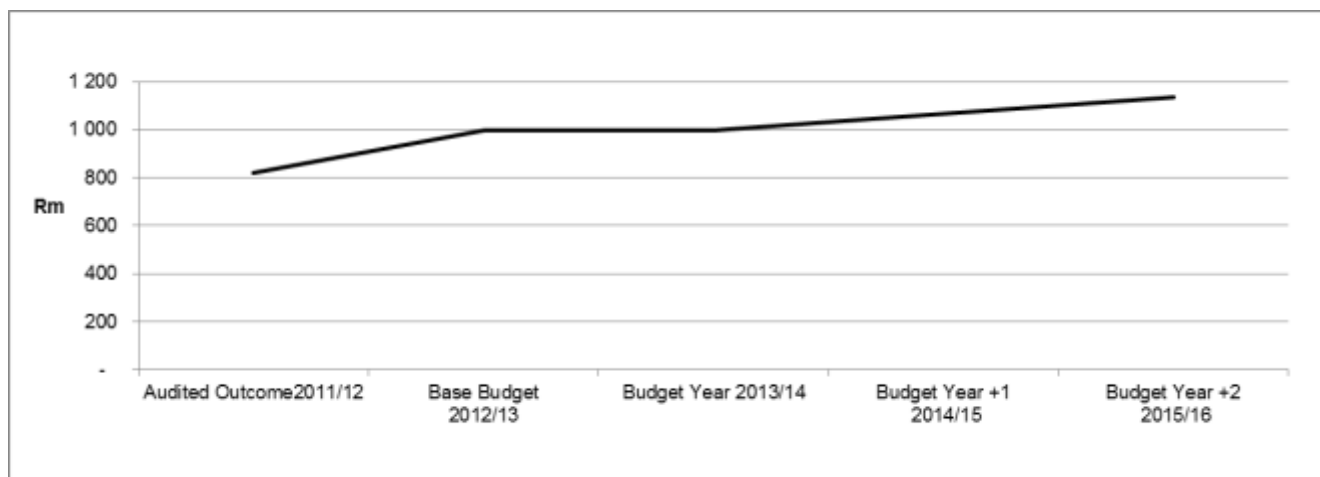


Figure 10 Provision of bad debts – 2011/12 to 2015/16

2.5.7 Salary increases

Salaries, Wages & related staff cost expenses

A 3 year Salary and Wage collective agreement was entered into in 2012. The term of the agreement covers the 2012/13 to 2014/15 period; in the absence of an agreement for the third year of this MTREF period the provisions provided for 2014/15 were also assumed for 2015/16.

In terms of the agreement, the salary and wage increases are to be calculated as follows:

- 2013/14 financial year:
Average CPI percentage for the period 1 February 2012 to 31 January 2013 plus 1.25%.

- 2014/15 financial year:
Average CPI percentage for the period 1 February 2013 to 31 January 2014 plus 1%.

The agreement further stipulates that if, in any of these years the average CPI percentage, as per the calculation above, is less than 5%, the average CPI will be deemed to be 5% and in the event that the average CPI is above 10% the average CPI will be deemed to be 10%.

The actual CPI for the period 1 February 2012 to 31 January 2013 (ex STATSSA) is 5.59%, the salary provision made for the 2013/14 MTREF is therefore 6.84% (5.59%+1.25%).

In addition, provision was made for an incremental allowance of 2% to cater for performance- and other notch increases.

The graph below shows the consistent above-CPI salary increases for the last three years and for the projected MTREF period.

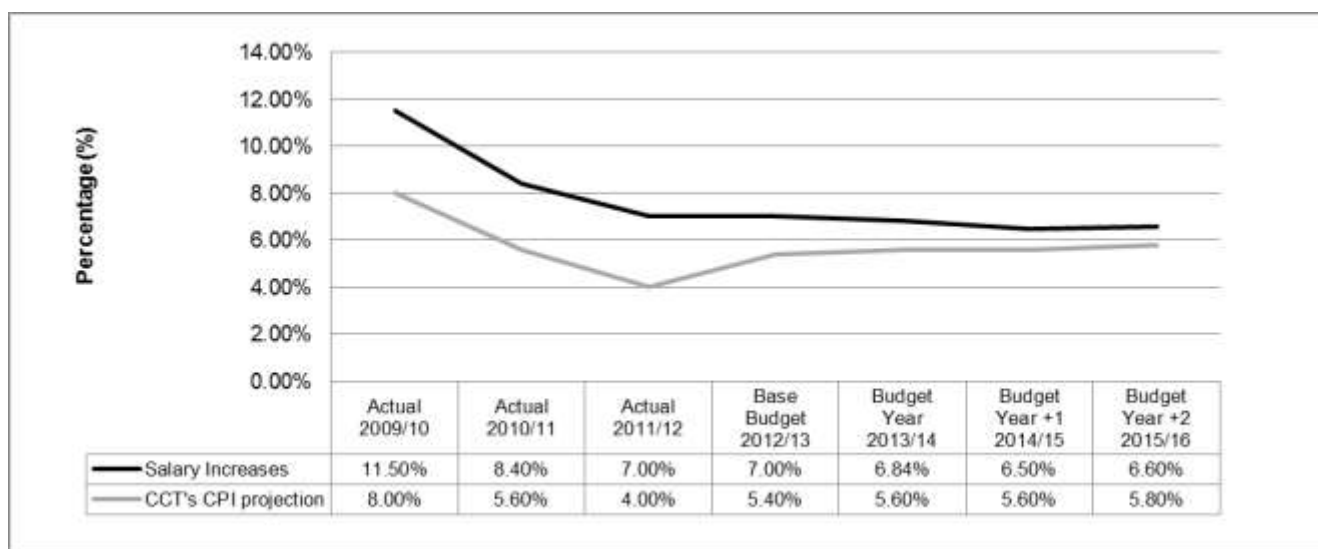


Figure 11 Correlation between the City's CPI and the salary increase over the MTREF

2.5.8 Ensuring maintenance of existing assets

General Expenses and Repairs & Maintenance

The MTBPS highlighted the under-spending on repairs and maintenance by municipalities. Reference in NT Circular 66 is made to NT circulars 54, 55 and 58 which stressed the importance of securing the health of a municipality's asset base by increased spending on repairs and maintenance. NT circular 58 of 2011 indicated that 'allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritized'.

In this regard repairs and maintenance was budgeted at 3% above CPI over the MTREF.

The graph below shows the increasing expenditure trend on repairs and maintenance from 2011/12 and projected to 2015/16.

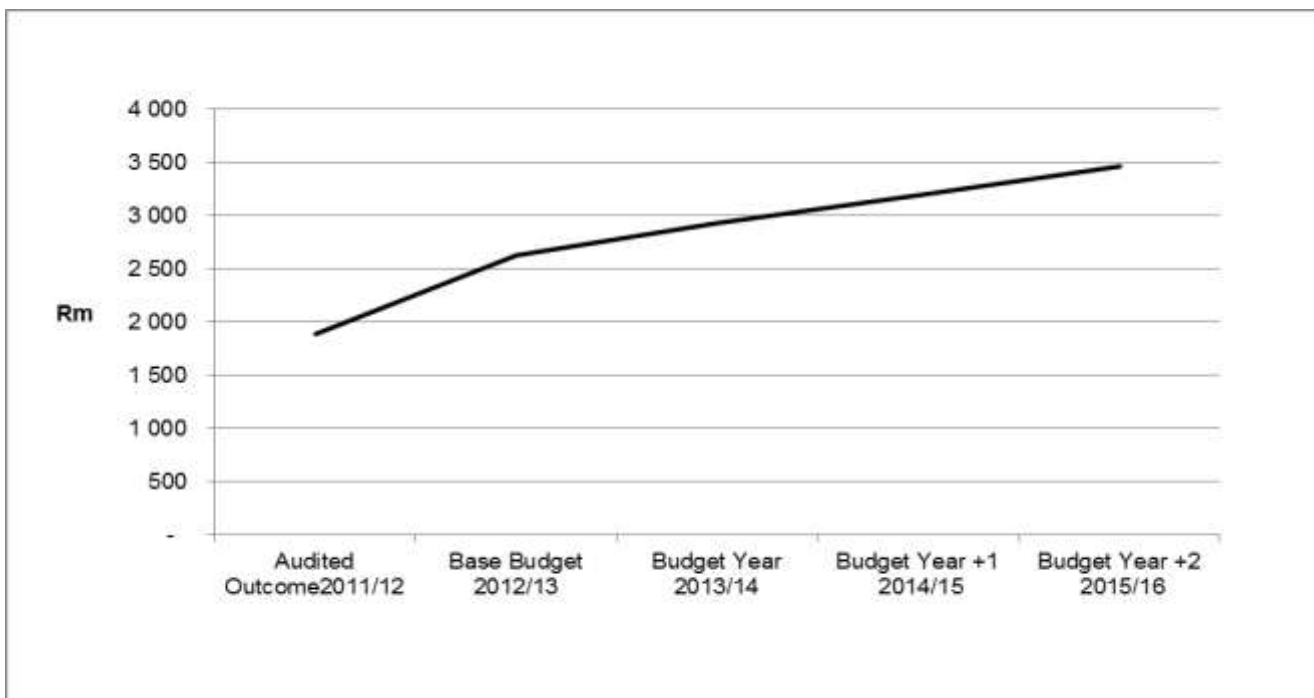


Figure 12 Increasing expenditure trend on repairs and maintenance from 2011/12 and projected to 2015/16

2.5.9 Operating financing of capital

Depreciation

Calculation of depreciation on new capital expenditure is based on variables such as asset class life span, ranging between 9 and 50 years, depending on the nature of the asset. An annual capital expenditure implementation rate of 100% was assumed. Depreciation of existing assets is based on simulated SAP data which reflects actual values per annum. Assets under Construction (AUC) are calculated based on asset class lifespan and projected capitalisation dates.

Borrowing

Borrowing is done in terms of Chapter 6 of the MFMA where a long term loan will be entered into if it is affordable and sustainable. Due to the City healthy cash position the City will not enter into a loan during 2013/14 financial year.

2.5.10 Growth or decline in tax base of the municipality

The current unstable economic climate has restricted material service growth projections. The respective projected growth for the City's services is as follows:

Rates

Service growth applied for Rates over the 2013/14 MTREF is 1%.

Water and Sanitation

A service growth of 1% was applied to Water and Sanitation over the 2013/14 MTREF. This is based on the average growth over the past years, on the revenue generating portion of water volumes.

Electricity

Electricity has projected no service growth over the MTREF, due to the impact of energy saving plans and increasing tariffs, thus reducing consumption.

Refuse

A 2% service growth was applied over the 2013/14 MTREF for Refuse. This is as a result of the growth in the City's population and user numbers.

2.5.11 Major tariffs and charges: Rates and Trading Services

The adverse impact of the current economic climate, coupled with the demand for new and upgraded infrastructure, made tariff increases higher than CPI levels inevitable.

NT circular 66 of December 2012 “encourages municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of the poor households, other customers’ and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6 percent upper boundary of the SARB inflation target”. Nevertheless, it further indicates that tariffs should be cost reflective. In this regard the following represents the revenue increases included over the 2013/14 MTREF.

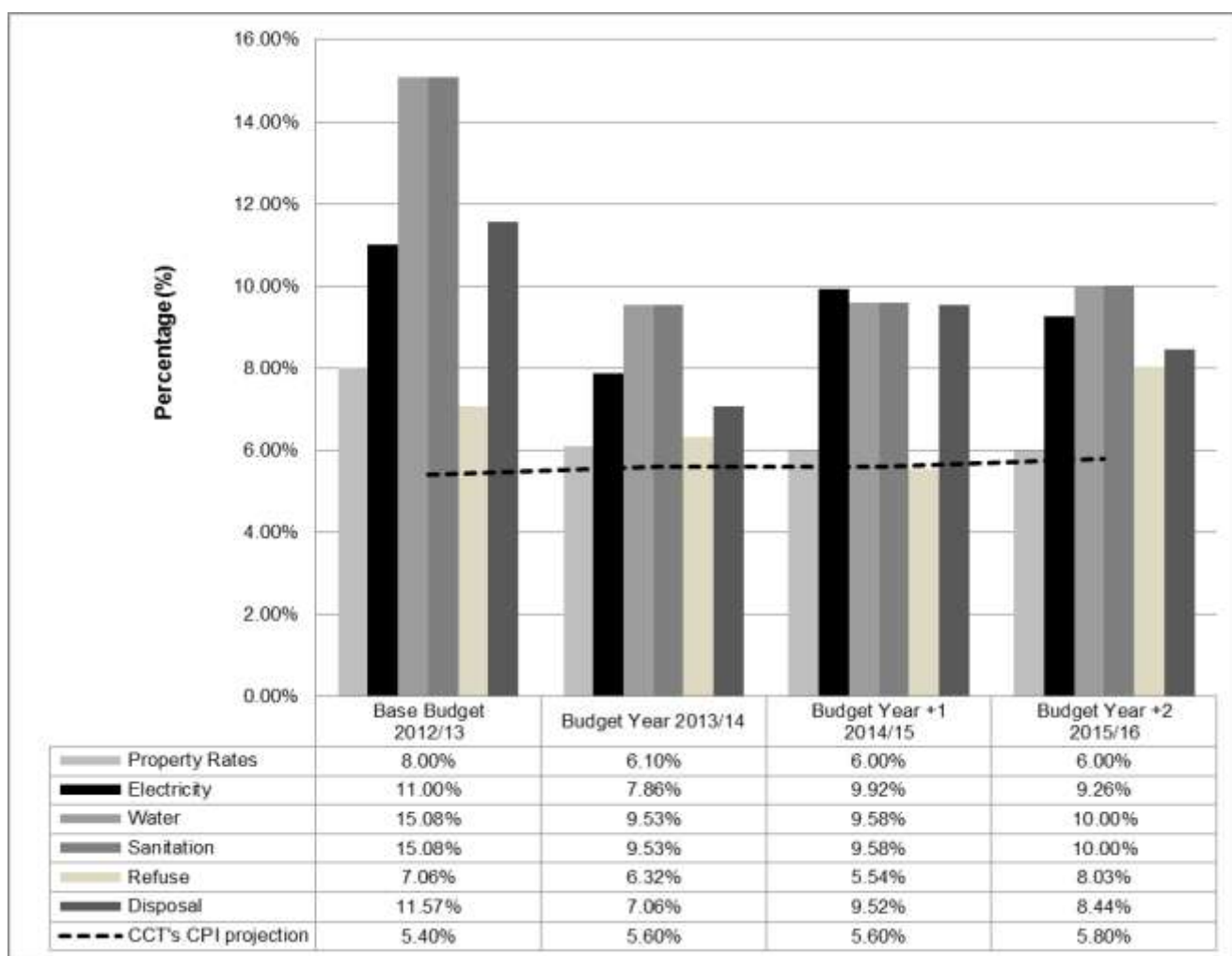


Figure 13 Revenue parameters for 2013/14 MTREF period

Property Rates

Rates revenue increase is at 6.1% in 2013/14 and 6% for the two outer years; i.e. within the inflation target range. This increase will afford the City to provide for the recurrent operating costs, new budget realities and for the investments in new infrastructure of Rate funded services.

Electricity

Eskom announced their increase for bulk purchases at 6% after NERSA earlier determined that the approved Eskom increase for the next five years would be 8%. Based on this, the City's average revenue increase requirement is 7.86% for the 2013/14 financial year and 9.92% and 9.26% for the two outer years respectively. The higher than CPI increase is attributed to various factors which would include the higher than CPI Eskom increase and salary increases. It furthermore caters for the increased costs of finance charges (15%) to the previous financial year, due to increased investments in new infrastructure and additional staff requirement to ensure continued optimal service delivery and an increase in the number of revenue collection teams to further improve the collection ratio.

In terms of National Treasury Circular 67, NERSA is in the process of determining a final guideline increase for municipal electricity tariffs, which would be available by the end of March 2013. The proposed tariffs for electricity are therefore subject to change to take NERSA's determinations into account.

Water and Sanitation

NT circular 66 states that "municipalities are to review the level and structure of the Water and Sanitation tariffs. If the tariffs are not fully cost reflective, the municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time. All municipalities should aim to have appropriately structured and cost reflective tariffs in place by 2014".

The average Water and Sanitation revenue increase for 2013/14 is at 9.53% and averages 9.8% over the two outer years. These increases were required to ensure that current infrastructure is sufficiently maintained, for the investments in new infrastructure, to cater for increased water demand and to ensure compliance to the Waste Water Treatment Works legislation issued by the Department of Water Affairs.

Solid Waste

According to NT Circular 66, "municipalities' are reminded that where Solid Waste tariffs do not cover the cost of providing the different components of the service, municipalities should aim to have appropriately structured, cost reflective solid waste tariffs in place by 2015".

The Disposal average increase for 2013/14 is at 7.06%. This increase, amongst other, is required for the rehabilitation of landfill sites and for the operating costs relating to new transfer stations. The 6.32% average increase for Refuse in 2013/14 is to improve the standard of refuse removal service.

Housing rental stock

The monthly rental charge for the City's housing rental properties is based on a rate per square meter applied to the size of the unit being rented.

The rates for 2013/2014 are as follows:

- Rental (per square meter): R7.80

- Rental (per square meter including water where applicable): R10.82
- Excludes premiums and deductions

2.5.12 Impact of national, provincial and local policies on operating revenue

2013 Division of Revenue bill

Equitable Share

The Equitable Share formula has been reviewed by the National Treasury, the Department of Cooperative Governance and the South African Local Government Association, with assistance from the Financial and Fiscal Commission and Statistics South Africa. The new formula and allocations were endorsed by the Budget Forum and Cabinet in February 2013.

The formula provide a subsidy for the provision of free basic water, electricity, sanitation and refuse removal services for every poor household. It also provides funds for the institutional costs of municipalities, a community services component which provides funding towards the provision of core municipal services not included under basic services. To ensure that the funds for institutional costs and non-trading services are targeted at poorer municipalities, the formula applies a revenue-adjustment factor reflecting municipalities' ability to generate their own revenue. The formula used data from the 2011 Census which will be updated annually to reflect estimates of population growth and projected increases in the cost of services such as water and electricity.

Structure of the local government equitable share formula

$$LGES = BS + (I + CS) \times RA \pm C$$

where

LGES is the local government equitable share

BS is the basic services component – basic services subsidy x number of poor households

I is the institutional component – base allocation + [allocation per councillor * number of council seats]

CS is the community services component – [municipal health and related services allocation x number of households] + [other services allocation x number of households]

RA is the revenue adjustment factor

C is the correction and stabilisation factor

Equitable share provisions included in the budget are based on the 2013 Division of Revenue Bill. Based on the calculation as set out above the City had a revenue adjustment factor of zero which meant that it did not receive any allocation from the institutional and non-trading services components on which the factor was applied. The following amounts were allocated to the City as per the 2013 DORb.

2013/14 – R1.243bn
2014/15 – R1.502bn

2015/16 – R1.815bn

As in previous years' the DORb, municipalities are guaranteed to receive at least 90% of the indicative allocations for the middle year of the National MTEF. The figures above reflect the 100%.

Fuel levy

The general fuel levy is legislated by the Taxation Laws Amendment Act (2009) that makes provision that each metro's share be announced through a Government Gazette. The fuel levy sharing amounts for each metro is therefore published annually through a Notice in the Government gazette.

The Fuel levy allocation is based on the latest available fuel sales figures within the jurisdiction of the City as a metro. The following amounts were allocated to the City as per the 2013/14 allocation letter received from NT:

2013/14 – R1.896 billion
 2014/15 – R2.015 billion
 2015/16 – R2.108 billion

2.5.13 Capital expenditure

The total capital budget included for the 3-year MTREF period is as follows:

Table 40 Capital Budget over MTREF

Capital funding	Budget Year 2013/14 R Millions	Budget Year +1 2014/15 R Millions	Budget Year +2 2015/16 R Millions
CGD	2 520 837	2 417 014	2 417 511
CRR	684 986	618 544	577 585
Revenue	16 968	15 874	16 447
EFF	2 193 893	2 086 274	2 368 586
TOTAL	5 416 684	5 137 706	5 380 129

Grants received from National and Provincial Government remains a significant funding source over the 2013/14 MTREF. External Financing Fund (EFF) over the 3 years remains at the lower end of the R2bn mark.

2.5.14 Major parameters

The following table summarises the major parameters applied to the Operating budget:

Table 41 Summary of parameters applied to Operating Budget

	2013/14 %	2014/15 %	2015/16 %
CPI	5.60	5.60	5.80
COLLECTION RATES			
Rates	96.00	96.00	96.00
Electricity	98.00	98.00	98.00
Water	92.50	93.50	94.00
Sanitation	92.50	93.50	94.00
Refuse	93.00	93.00	93.00
Housing	47.00	48.50	49.50
REVENUE PARAMETERS (excluding organic growth):			
Rates	6.10	6.00	6.00
Electricity	7.86	9.92	9.26
Water	9.53	9.58	10.00
Sanitation	9.53	9.58	10.00
Refuse	6.32	5.54	8.03
Disposal	7.06	9.52	8.44
REVENUE PARAMETERS (including organic growth):			
Rates	7.10	7.00	7.00
Electricity	7.86	9.92	9.26
Water	10.53	10.58	11.00
Sanitation	10.53	10.58	11.00
Refuse	8.32	7.54	10.03
EXPENDITURE PARAMETERS:			
Salary increase			
Salary increase (SALGA Agreement)	6.84	6.50	6.60
Increment provision	2.00	2.00	2.00
General Expenses	5.60	5.60	5.80
Repairs & Maintenance	8.60	8.60	8.80
Interest Rates			
Interest paid	10.06	10.55	10.89
Interest on investment	5.00	5.38	5.88
OTHER:			
Capital (EFF component) Expenditure	R2.194bn	R2.087bn	R2.369bn
Equitable Share Allocation	R1.243bn	R1.502bn	R1.815bn
Fuel Levy	R1.896bn	R2.015bn	R2.108bn

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

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

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

Description R thousand	2013/14 Medium Term Revenue & Expenditure Framework					
	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
Property Rates	5 527 109	21.2%	5 914 006	21.0%	6 327 987	20.6%
Service Charges	14 447 340	55.4%	15 868 176	56.5%	17 398 320	56.7%
Investment Revenue	284 618	1.1%	292 445	1.0%	303 664	1.0%
Transfers recognised - Operational	2 637 300	10.1%	2 665 755	9.5%	3 094 734	10.1%
Other own revenue	3 167 682	12.2%	3 360 618	12.0%	3 565 072	11.6%
Total Revenue (excluding capital transfers and contributions)	26 064 049	100%	28 101 001	100%	30 689 776	100%

The following graph is a breakdown of the operational revenue per main category for the 2013/14 financial year.

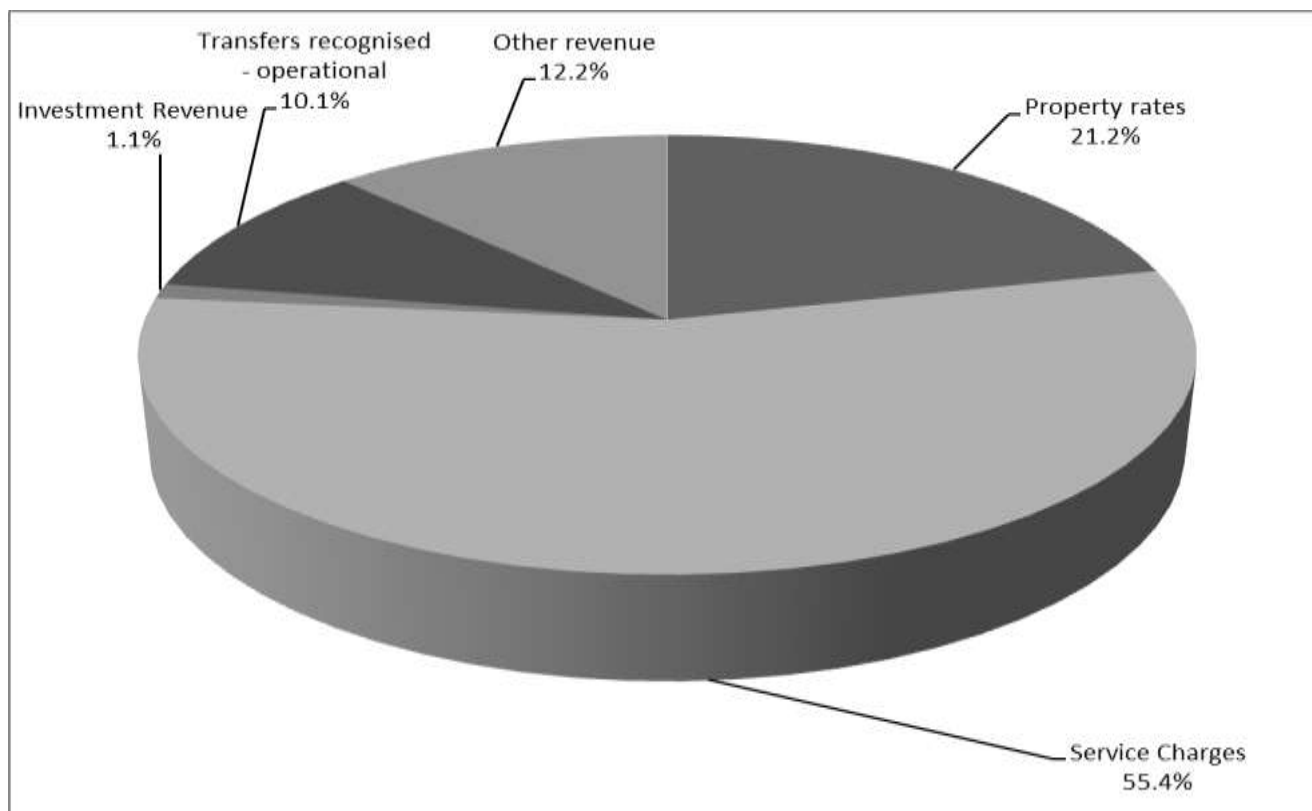


Figure 14 Breakdown of operating revenue over the 2013/14 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. To ensure an effective, efficient and well-run City, higher tariff increases are inevitable. Getting tariffs right assists in the compilation of a credible and funded budget. The City derives most of its operational revenue from the service charges (55.4% of the total revenue), i.e. provision of services such as water, electricity sanitation and solid waste removal. Property Rates (21.2%), Transfer recognised - operational

(10.1%), investment revenue (1.1%) and Other Minor Charges (12.2%), i.e. building plan fees, licences, permits etc.) forms part of the 2012/13 revenue base.

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

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

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

Revenue to be generated from Property Rates in 2013/14 amount to R 5 527 million and it increases to R6 328 million by 2015/16. Revenue from Property Rates represents 21.2% of the operating revenue base of the City.

Service charges relating to Electricity, Water, Sanitation and refuse removal constitutes the biggest component of the revenue basket of the City totalling to R14 207 million for the 2013/14 financial year and increasing to R17 129 million in 2015/16. For the 2013/14 financial year, service charges are 55.4% of the total revenue base and the average year on year growth is approximately 10% over the medium term. The growth can be attributed to the increase in the bulk prices of electricity and water.

Operational Grants and Donations in 2012/13 amount to R2 326 million and increased to R2 637 million in 2013/14, mainly due to the increased allocation in respect of the Equitable Share from R1 084 million (2012/13) to R1 243 million (2013/14) as well as external grants received from National & Provincial Government.

Table 43 MBRR SA15 - Detailed investment information

Investment type	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Securities - National Government	42 400	48 900	50 013	60 900	60 900	60 900	60 900	72 900	78 900
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-
Deposits - Bank	4 515 265	5 195 183	6 106 897	4 523 511	7 459 982	7 459 982	6 047 438	6 887 875	6 975 398
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	149 382	57 920	71 064	889 089	889 089	889 089	1 153 198	1 429 058	1 720 614
Total	4 707 047	5 302 003	6 227 974	5 473 500	8 409 971	8 409 971	7 261 536	8 389 833	8 774 912

Table 44 MBRR SA16 - Investment particulars by maturity

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	Yrs/Months								Rand thousand	
Parent municipality										
ABSA Bank	32	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	43
ABSA Bank	30	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	41
ABSA Bank	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	15 000	59
ABSA Bank	25	Fixed Deposit	No	Fixed interest rate	4.92%	n/a	n/a	15 March 2013	35 000	118
ABSA Bank	24	Fixed Deposit	No	Fixed interest rate	4.91%	n/a	n/a	15 March 2013	15 000	48
ABSA Bank	23	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	15 March 2013	10 000	31
Firststrand	32	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	25 000	108
Firststrand	30	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	41
Firststrand	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	39
Firststrand	25	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	15 March 2013	20 000	67
Firststrand	24	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	15 March 2013	15 000	48
Firststrand	22	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	15 March 2013	20 000	59
Investec Bank	36	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 March 2013	10 000	49
Investec Bank	32	Fixed Deposit	No	Fixed interest rate	5.05%	n/a	n/a	15 March 2013	15 000	66
Nedbank	36	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 March 2013	45 000	222
Nedbank	36	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 March 2013	70 000	345
Nedbank	32	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 March 2013	30 000	132
Nedbank	31	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 March 2013	15 000	64
Nedbank	30	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	41
Nedbank	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	39
Standard Bank	39	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	25 000	132
Standard Bank	36	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 March 2013	55 000	271
Standard Bank	32	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	30 000	130
Standard Bank	31	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	20 000	84
Standard Bank	30	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	41
Standard Bank	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	15 March 2013	10 000	39
ABSA Bank	32	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	25 March 2013	15 000	65
ABSA Bank	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	25 March 2013	30 000	114
Firststrand	49	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	25 March 2013	30 000	197
Firststrand	48	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	25 March 2013	20 000	129
Firststrand	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	25 March 2013	40 000	152
Firststrand	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	25 March 2013	25 000	95
Firststrand	26	Fixed Deposit	No	Fixed interest rate	4.90%	n/a	n/a	25 March 2013	45 000	157
Investec Bank	28	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	25 March 2013	35 000	134
Nedbank	35	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	25 March 2013	35 000	168
Nedbank	34	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	25 March 2013	15 000	70
Nedbank	33	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	25 March 2013	10 000	45
Nedbank	32	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	25 March 2013	10 000	44
Standard Bank	35	Fixed Deposit	No	Fixed interest rate	4.97%	n/a	n/a	25 March 2013	30 000	143
Standard Bank	34	Fixed Deposit	No	Fixed interest rate	4.97%	n/a	n/a	25 March 2013	25 000	116
Standard Bank	33	Fixed Deposit	No	Fixed interest rate	4.97%	n/a	n/a	25 March 2013	15 000	67
Standard Bank	32	Fixed Deposit	No	Fixed interest rate	4.97%	n/a	n/a	25 March 2013	15 000	65
Standard Bank	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	25 March 2013	45 000	171
ABSA Bank	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	15 000	59
ABSA Bank	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	15 000	57
ABSA Bank	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	15 000	57
Firststrand	30	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	10 000	41
Firststrand	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	20 000	79
Firststrand	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	15 000	57
Investec Bank	28	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	27 March 2013	10 000	38
Investec Bank	28	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	27 March 2013	10 000	38
Nedbank	30	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	15 000	61
Nedbank	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	15 000	59
Standard Bank	29	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	20 000	79
Standard Bank	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	10 000	38
Standard Bank	28	Fixed Deposit	No	Fixed interest rate	4.95%	n/a	n/a	27 March 2013	20 000	76
Firststrand	182	Fixed Deposit	No	Fixed interest rate	5.54%	n/a	n/a	29 March 2013	10 000	276
Firststrand	182	Fixed Deposit	No	Fixed interest rate	5.54%	n/a	n/a	29 March 2013	12 000	332
Firststrand	182	Fixed Deposit	No	Fixed interest rate	5.54%	n/a	n/a	29 March 2013	9 000	249
Firststrand	182	Fixed Deposit	No	Fixed interest rate	5.54%	n/a	n/a	29 March 2013	12 000	332
Nedbank	47	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 April 2013	40 000	258
Nedbank	47	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 April 2013	20 000	129
Nedbank	47	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 April 2013	20 000	129
Standard Bank	47	Fixed Deposit	No	Fixed interest rate	5.00%	n/a	n/a	15 April 2013	50 000	322
ABSA Call				Variable interest rate					398 618	
Investec Call				Variable interest rate					70 000	
ABSA Current account				Variable interest rate					616 953	
ABSA IRT account				Variable interest rate					734	
Fund Managers				Variable interest rate					4 822 231	
TOTAL INVESTMENTS AND INTEREST									7 261 536	7 056

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2013/14 medium-term capital programme:

Table 45 Sources of capital revenue over the MTREF

Vote Description R thousand	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
Funded by:	-		-		-		-	
National Government	3 246 952		2 124 565		2 105 936		2 314 179	
Provincial Government	390 352		343 021		249 935		49 732	
Other transfers and grants	3 797		2 100		2 100		-	
Transfers recognised - capital	3 641 101	59%	2 469 687	46%	2 357 971	46%	2 363 911	44%
Public contributions & donations	42 791	1%	51 150	1%	59 042	1%	53 600	1%
Borrowing	1 784 935	29%	2 193 893	41%	2 086 274	41%	2 368 586	44%
Internally generated funds	752 982	12%	701 954	13%	634 418	12%	594 031	11%
Total Capital Funding	6 221 809	100%	5 416 684	100%	5 137 705	100%	5 380 129	100%

The above table is graphically represented as follows for the 2013/14 financial year:

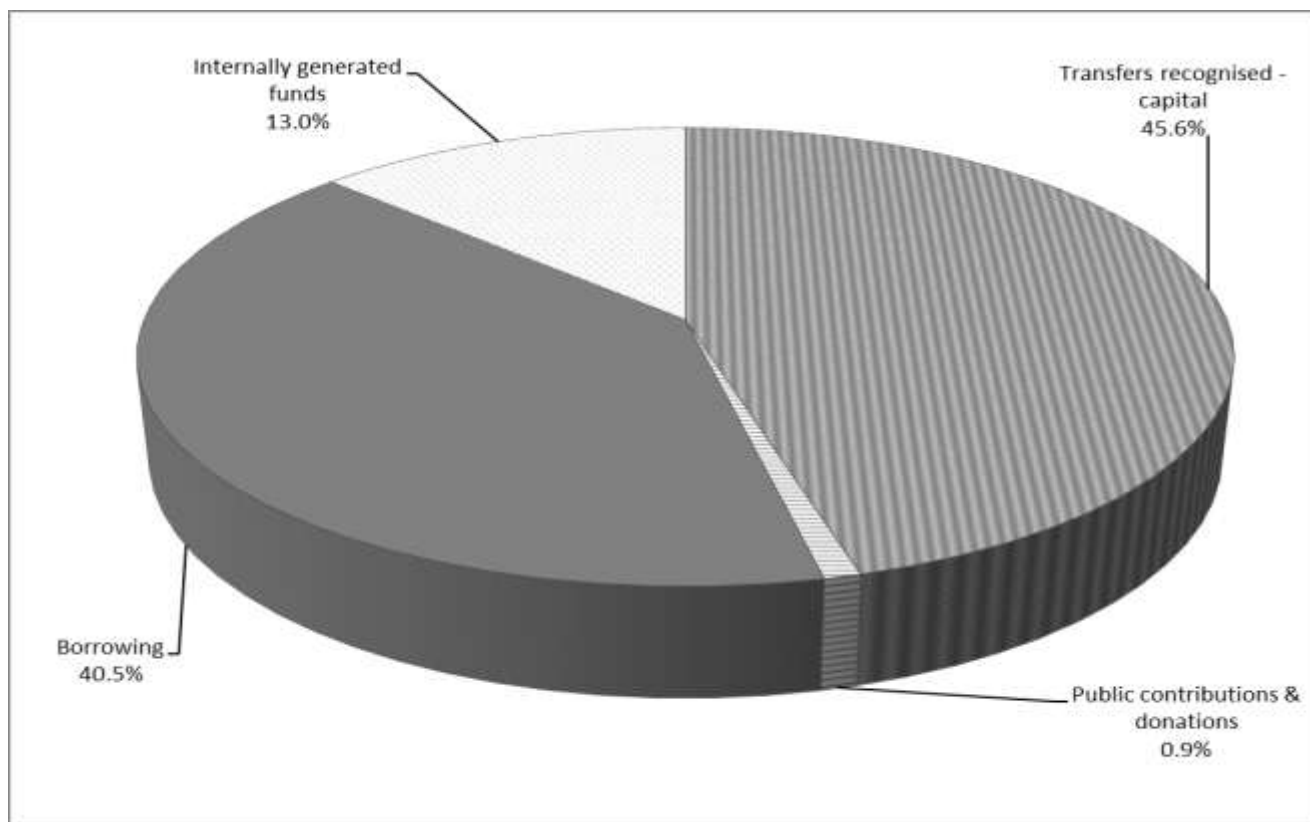


Figure 15 Sources of capital revenue for the 2013/14 financial year

Grants from national and provincial governments as well as other external sources still remain a significant funding source for the 2013/14 to 2015/16 Capital Budget. Transfers recognised - capital represents R2 470 million in 2013/14, R2 358 million in 2014/15 and R2 364 million in 2015/16 decreases slightly from 46% to 44% as a percentage of the total capital budget over the MTREF period.

Borrowing continues to be a major source of funding of the 2013/14 to 2015/16 Capital Budget. The borrowing amount reflected in the table above for the 2013/14 financial year includes certain roll-overs where directorates have already indicated that they will not be able to spend the full 2012/13 budgetary allocation by year-end. The additional amount has however been included during the modelling phase of the MTREF.

An analysis of the City’s borrowing liability is contained in the table below.

Table 46 MBRR SA17 - Detail of borrowing

Borrowing - Categorized by type	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Long-Term Loans (annuity/reducing balance)	-	-	-	-	-	-	1 649 960	1 537 958	1 424 251
Long-Term Loans (non-annuity)	1 282 975	1 140 952	972 686	836 579	3 036 513	3 036 513	643 366	517 500	269 243
Local registered stock	6 800	6 800	6 800	-	-	-	-	-	-
Financial Leases	61 767	-	-	-	-	-	-	-	-
Marketable Bonds	4 196 084	4 196 084	4 196 934	6 138 729	4 206 800	4 206 800	4 200 001	6 215 002	7 515 002
Total Borrowing	5 547 626	5 343 836	5 176 420	6 975 308	7 243 313	7 243 313	6 493 327	8 270 460	9 208 496

The following graph illustrates the growth in outstanding borrowing for the 2009/10 to 2015/16 period.

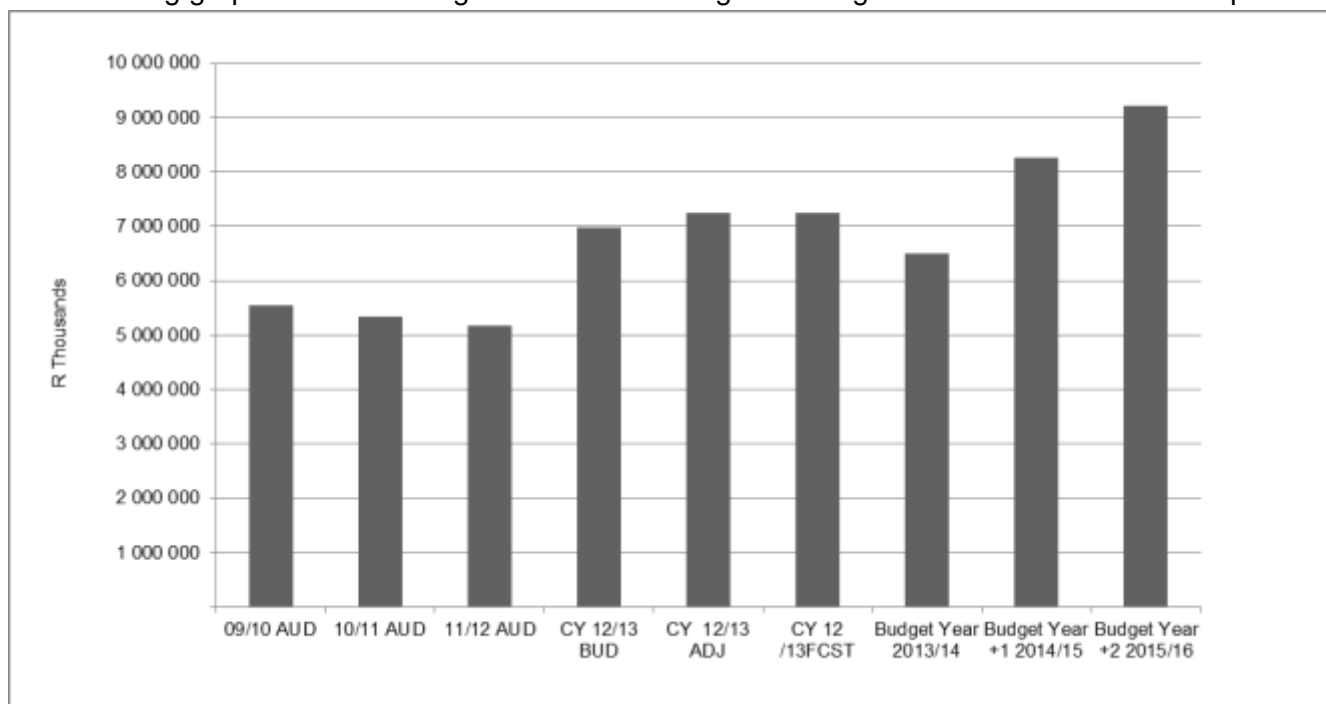


Figure 16 Growth in outstanding borrowings (long-term liabilities)

Internally generated funds is funded in accordance to Section 18 of the MFMA which requires that the annual budget must be funded from amongst others cash-backed accumulated funds from previous years’ surpluses not committed for other purposes.

The Internally funded component of the Capital Budget is mainly funded from:

- previous years’ accumulated surpluses;
- contributions made to a Capital Replacement Reserve (CRR) in the previous year’s operating budget; and

- Bulk Infrastructure Contribution Levies already collected.

The levels of contributions made to the CRR on the previous year's operating budget are considered within the MTREF process to determine affordability and sustainability. Internally generated funds amount to R702 million, R634 million and R594 million respectively, over the MTREF.

The percentage of internally generated funds in relation to the total annual budget slightly decreases from 13% in 2013/14, 12% in 2014/15 and 11% in 2015/16.

Table 47 MBRR Table SA18 - Capital transfers and grant receipts

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	-	-	-	-	-	-	-	-	-
Capital Transfers and Grants	-	-	-	-	-	-	-	-	-
National Government:	1 672 706	865 987	2 432 846	2 921 635	3 246 952	3 229 434	2 124 565	2 105 936	2 314 179
Department of Environmental Affairs & Tourism: Marine & Coastal Management	57	6	-	-	-	-	-	-	-
Department of Water Affairs & Forestry: Water Affairs & Forestry Grant	-	6 577	-	-	-	-	-	-	-
Minerals & Energy: Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	9 020	4 982	9 600
Minerals & Energy: Electricity Demand Side Management (Eskom) Grant	2 519	17 010	34 093	-	5 294	5 294	-	-	-
Minerals & Energy: Integrated National Electrification Programme (Municipal) Grant	8 760	4 434	4 386	-	-	-	25 001	18 000	50 000
National Government - Other: Previous years' Dora allocations	131	64	-	1 200	962	712	200	-	-
National Treasury: Local Government Finance Management Grant	1 044	1 777	90	-	-	-	-	-	-
National Treasury: Local Government Restructuring Grant	26 798	6 931	-	-	200	200	-	-	-
National Treasury: Neighbourhood Development Partnership Grant	39 266	47 141	73 001	52 547	65 097	65 097	30 000	-	-
National Treasury: Other	5 184	3 980	-	26 860	11 290	11 289	17 443	-	-
National Treasury: Urban Settlements Development Grant	-	-	800 786	888 905	987 273	970 007	1 044 599	873 815	857 564
Provincial and Local Government: Municipal Infrastructure Grant (MIG Cities)	304 946	247 294	-	-	-	-	-	-	-
Sport & Recreation SA: 2010 Fifa World Cup Stadiums Development Grant	511 357	57 997	-	-	6 617	6 617	-	-	-
Sport & Recreation: 2014 African Nation Championship Host City Operating Grant	-	-	-	-	-	-	3 000	-	-
Transport: Public Transport Infrastructure & Systems Grant	772 646	472 777	1 520 491	1 952 123	2 170 218	2 170 218	-	-	-
Transport: Public Transport Infrastructure Grant	-	-	-	-	-	-	946 241	1 159 140	1 222 015
Transport: Public Transport Network Operations Grant	-	-	-	-	-	-	49 061	50 000	175 000
Provincial Government:	253 151	304 847	208 457	355 487	390 352	386 083	343 021	249 935	49 732
Cultural Affairs and Sport: Development of Sport and Recreation Facilities	3 445	103	-	-	-	-	874	-	-
Cultural Affairs and Sport: Library Services (Conditional Grant)	2 762	9 756	5 500	1 671	2 691	2 691	1 350	10 605	-
Economic Development and Tourism: False Bay Ecology	-	-	-	1 000	176	176	-	-	-
Health: Global Fund	2 841	211	300	1 375	1 375	1 375	-	-	-
Housing: Integrated Housing and Human Settlement Development Grant	166 671	266 745	199 289	323 085	353 833	349 563	319 388	223 628	33 400
Housing: Previous years' Gazetted allocations	19 889	194	-	-	-	-	-	-	-
Housing: Previous years' allocations	-	-	-	-	-	-	5 000	-	-
Local Government: Multi-Purpose Centres	2 236	8	500	-	9	9	-	-	-
Other: Other	-	-	-	-	500	500	-	-	-
Provincial Government: Fibre Optic Broadband Roll Out	-	-	-	-	-	-	10 000	10 702	11 332
Provincial Government: Previous years' Gazetted allocations	1 563	-	-	-	-	-	-	-	-
Transport: Municipal Land Transport Fund	-	-	-	-	-	-	5 000	5 000	5 000
Transport and Public Works: Cape Metropolitan Transport Fund	53 743	27 830	-	28 355	30 085	30 085	1 409	-	-
Transport and Public Works: Other	-	-	2 869	-	1 683	1 683	-	-	-
Other grant providers:	68 988	49 210	36 331	57 707	46 588	45 586	53 250	61 142	53 600
<i>Other: Other</i>	68 988	49 210	36 331	57 707	46 588	45 586	53 250	61 142	53 600
Total Capital Transfers and Grants	1 994 844	1 220 044	2 677 634	3 334 829	3 683 893	3 661 103	2 520 837	2 417 014	2 417 511
TOTAL RECEIPTS OF TRANSFERS & GRANTS	4 220 704	1 641 465	3 137 797	5 660 353	5 854 507	5 831 717	5 158 137	5 082 769	5 512 245

2.6.3 Cash Flow Management

Table 48 MBRR Table A7 - Budgeted cash flow statement

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	12 641 040	16 463 076	18 601 603	19 664 743	20 260 796	20 260 796	21 830 615	23 725 740	25 769 195
Government - operating	2 550 811	1 385 536	1 626 991	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734
Government - capital	1 940 857	1 173 315	2 130 844		3 680 095	3 680 095	2 520 837	2 417 014	2 417 511
Interest	383 657	503 857	563 873	481 236	482 538	482 538	532 066	553 751	580 125
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(13 220 119)	(15 163 792)	(17 019 721)	(20 311 090)	(20 714 939)	(20 714 939)	(22 590 331)	(24 347 338)	(26 476 660)
Finance charges	(523 550)	(717 475)	(661 761)	(768 508)	(618 412)	(618 412)	(749 449)	(820 102)	(1 034 896)
Transfers and Grants	-	-	-	-	-	-	(44 448)	(56 487)	(55 941)
NET CASH FROM/(USED) OPERATING ACTIVITIES	3 772 696	3 644 517	5 241 829	1 391 906	5 260 693	5 260 693	4 136 590	4 138 332	4 294 067
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	82 380	63 278	45 983	69 000	69 000	69 000	69 000	90 897	109 343
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	42 673	1 819	15 633	6 399	6 399	6 399	-	-	-
Decrease (increase) in non-current investments	1 102 674	(1 962 720)	(1 922)	(248 462)	(304 138)	(304 138)	-	-	-
Payments									
Capital assets	(4 662 993)	(2 857 821)	(4 233 162)	(5 630 280)	(5 910 719)	(5 910 719)	(5 356 781)	(5 080 827)	(5 324 985)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(3 435 266)	(4 755 444)	(4 173 468)	(5 803 342)	(6 139 458)	(6 139 458)	(5 287 781)	(4 989 931)	(5 215 642)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	2 047 299	-	-	2 000 000	2 400 000	2 400 000	-	2 015 000	1 300 000
Increase (decrease) in consumer deposits	(6 366)	4 332	41 452	25 684	25 684	25 684	-	-	-
Payments									
Repayment of borrowing	(524 137)	(253 327)	(198 354)	(99 955)	(168 662)	(168 662)	(345 066)	(309 853)	(285 598)
NET CASH FROM/(USED) FINANCING ACTIVITIES	1 516 796	(248 995)	(156 902)	1 925 729	2 257 023	2 257 023	(345 066)	1 705 147	1 014 402
NET INCREASE/ (DECREASE) IN CASH HELD	1 854 226	(1 359 922)	911 459	(2 485 708)	1 378 257	1 378 257	(1 496 257)	853 548	92 827
Cash/cash equivalents at the year begin:	4 755 077	6 609 303	5 249 381	3 674 390	6 160 840	6 160 840	7 539 097	6 042 839	6 896 388
Cash/cash equivalents at the year end:	6 609 303	5 249 381	6 160 840	1 188 682	7 539 097	7 539 097	6 042 839	6 896 388	6 989 215

The above table shows the cash and cash equivalents of the City with the approved 2013/14 to 2015/16 MTREF. The City has embarked on an extensive debt collection process to boost cash levels. These initiatives and interventions have translated into a positive cash position for the City. For the 2013/14 MTREF, the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R6 896 million by 2014/15 and steadily increasing to R6 989 million by 2015/16.

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

The following table meets the requirements of MFMA Circular 42, which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer

three key questions regarding the use and availability of cash:

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

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

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

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available									
Cash/cash equivalents at the year end	6 609 303	5 249 381	6 160 840	1 188 682	7 539 097	7 539 097	6 042 839	6 896 388	6 989 215
Other current investments > 90 days	(2 038 248)	48 472	50 379	3 334 829	(80 124)	(80 124)	(77 307)	(91 319)	(96 622)
Non current assets - Investments	274 245	150 245	150 260	949 989	950 998	950 998	1 203 274	1 491 934	1 789 490
Cash and investments available:	4 845 300	5 448 098	6 361 479	5 473 500	8 409 971	8 409 971	7 168 806	8 297 003	8 682 083
Application of cash and investments									
Unspent conditional transfers	1 048 440	1 108 680	1 665 752	1 162 749	1 731 982	1 731 982	1 826 081	1 912 796	2 035 216
Unspent borrowing	-	-	-	-	-	-	-	-	-
Statutory requirements	-	-	-	398 040	409 620	409 620	426 030	425 820	420 887
Other working capital requirements	(148 582)	(470 169)	(401 925)	(957 645)	(35 391)	(35 391)	60 874	(363 767)	(852 581)
Other provisions	-	-	-	3 279 563	3 563 268	3 563 268	2 881 841	3 118 509	3 709 493
Long term investments committed	-	-	-	979 989	950 998	950 998	1 203 274	1 491 934	1 789 490
Reserves to be backed by cash/investments	531 472	539 070	521 463	473 056	1 635 249	1 635 249	506 011	1 431 523	1 292 311
Total Application of cash and investments:	1 431 330	1 177 581	1 785 290	5 335 752	8 255 726	8 255 726	6 904 111	8 016 814	8 394 815
Surplus(shortfall)	3 413 970	4 270 517	4 576 189	137 748	154 245	154 245	264 695	280 189	287 268

From the above table it can be seen that the cash and investments available total R7.2 billion in 2013/14 and progressively increase to R8.7 billion by 2015/16, including the projected cash and cash equivalents as determined in the cash flow forecast.

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

- Unspent conditional transfers (grants)
These represent amounts rolled over relating mainly to existing multi-year projects (e.g. IRT).
- Unspent borrowing
There is no unspent borrowing from previous years. A significant portion of the capital expenditure earmarked to be funded via borrowings has been funded from accumulated surpluses.
- Provisions for statutory requirements
This amount relates to the Housing Development Fund monies not available for general operational purposes.

- Other working capital
The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. For the purpose of the cash backed reserves and accumulates surpluses reconciliation a provision equivalent to one month’s operational expenditure has been provided for.
- Long term investments committed
Long term investments consist primarily of the sinking funds for the repayment of current and future borrowings. This amount is “held to maturity” and is not available for spending.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. Certain of the City’s reserve funds do not need to be fully cash-backed.

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

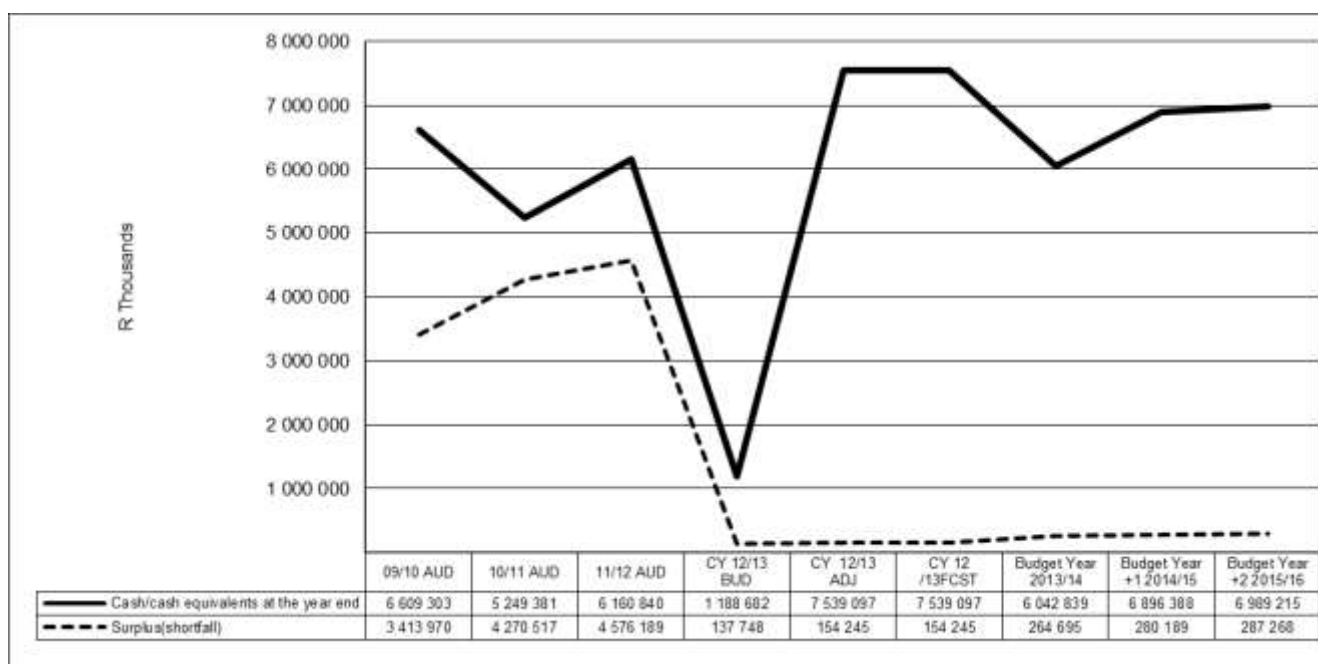


Figure 17 Cash and cash equivalents / cash backed reserves and accumulated funds

2.6.5 Funding Compliance Measurement

Table 50 MBRR Table SA10 - Funding Compliance measurement

Description	MFMA section	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	6 609 303	5 249 381	6 160 840	1 188 682	7 539 097	7 539 097	6 042 839	6 896 388	6 989 215
Cash + investments at the year end less applications - R'000	18(1)b	3 413 970	4 270 517	4 576 189	137 748	154 245	154 245	264 695	280 189	287 268
Cash year end/monthly employee/supplier payments	18(1)b	5.9	4.1	4.2	0.7	4.4	4.4	3.4	3.5	3.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	12.4%	6.2%	4.6%	(5.1%)	(6.0%)	1.2%	3.1%	2.9%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	84.5%	94.4%	95.5%	92.5%	94.4%	94.4%	94.6%	94.7%	94.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	5.0%	5.1%	4.8%	5.3%	5.3%	5.3%	4.9%	4.8%	4.7%
Capital payments % of capital expenditure	18(1)c;19	100.0%	100.0%	100.0%	95.0%	95.0%	95.6%	98.9%	98.9%	99.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	75.5%	0.0%	0.0%	75.6%	93.0%	93.6%	0.0%	72.5%	43.1%
Grants % of Govt. legislated/gazetted allocations	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	97.7%	95.0%	94.2%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	6.0%	9.7%	0.6%	0.1%	0.0%	6.2%	6.2%	6.2%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(3.0%)	(14.0%)	5.0%	(9.5%)	0.0%	(5.0%)	(5.0%)	(5.0%)
R&M % of Property Plant & Equipment	20(1)(vi)	7.9%	7.9%	7.7%	9.0%	9.0%	9.0%	9.1%	9.1%	9.1%
Asset renewal % of capital budget	20(1)(vi)	34.3%	45.9%	49.5%	44.3%	45.8%	45.7%	41.1%	39.4%	39.8%

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

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

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

2.6.5.1 Cash/cash equivalent position

The City reflects a positive increasing cash position over the forecasted 2013/14 MTREF indicating that the medium term budget is sustainable.

2.6.5.2 Cash plus investment less application of funds

The purpose of this measure is to understand how the municipality applies its available cash and investments. Total of cash plus investment less applications is more than the commitments for each corresponding year of the 2013/14 MTREF which shows that the City is able to afford its commitments over the medium term.

2.6.5.3 Monthly average payments covered by cash or cash equivalents

This measure outlines the level of financial risk, should the municipality be under stress, i.e. it indicates the number of times average monthly payments are covered. This ratio is positive and averages 3.4 over the 2013/14 MTREF which shows that adequate provision in respect of the

monthly payment coverage was made. The City's view is that 1 month's provision is sufficient, given the City's ability to meet its obligation.

2.6.5.4 *Surplus/deficit excluding depreciation offsets*

The purpose of this measure is to highlight whether revenue levels are sufficient to conclude that the community is making a significant contribution towards the municipal resources consumed each year. In respect of this ratio, the City shows a surplus over the 2013/14 MTREF, which means that the forecasted tariffs and taxes are sufficient thereby concluding that the community is making an adequate contribution towards the economic benefits being consumed by the City.

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

This measure tests whether the municipality is contributing appropriately to the achievement of national inflation targets. This ratio shows 1.2%, 3.1% and 2.9%, for the years 2013/14, 2014/15 and 2015/16 respectively, higher than the NT CPI targets. These higher than CPI increase are due to the various revenue increases applied to service charges and as a result of adjustments to the 2012/13 revenue base of certain services due to in year performance. The revenue increases applied can be substantiated by motivating the revenue increases of all the service charges as follows:

- *Rates:*

In the context of the current environment in which the budget was compiled, the Rates revenue increase was set at 6.1% plus 1% organic growth for 2013/14. The revenue parameter increase projected for the two outer years' averages 6%.

- *Electricity:*

To ensure affordability the electricity revenue parameter was set at 7.86%, 9.92% and 9.26%, respectively, over the 2013/14 MTREF. No service growth was factored in over the MTREF period. The year on year increase is lower due to the revenue base being adjusted in accordance to actual performance outcome. The higher than CPI increase is mostly attributed to the Eskom increase on bulk purchases, and to accommodate the lower sales income stemming from the current year's performance. It further caters for the continual operating costs of the service and for the investments in new infrastructure.

- *Water and Sanitation:*

The revenue increase for both water and sanitation averages 10% for the 2013/14 MTREF plus 1% organic growth. This increase was required to ensure that current infrastructure is sufficiently maintained, for the investments in new infrastructure, to cater for increased water demand and to ensure compliance to the Waste Water Treatment Works legislation issued by the Department of Water Affairs.

- *Refuse Removal:*

A 6.32% revenue parameter was factored in for refuse for 2013/14 and is forecasted to increase to 8.03% in 2015/16. In addition to the revenue increase a 2% organic growth was also factored in over the 2013/14 MTREF. The year on year increase is lower due to the revenue base being adjusted in accordance to actual performance outcome. This higher than CPI increases are required to ensure continued and adequate service delivery and to further improves the standard of refuse removal service.

- *Service Charges Other*

Service Charges Other show a year-on-year increase of 3.9% above the national inflation target. Revenue increased by 3.9%. 'Other revenue' consists of miscellaneous elements and fixed basics charges, which are based on the services above and have higher than CPI level increases.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

This is a macro measure of the rate at which funds are 'collected'. The purpose of this measure is to analyse an underlying assumed collection rate. The City's average collection rate for 2013/14 equals 94%. This collection ratio, even though higher than the previous years, is deemed realistic, due to new initiatives to improve revenue collections.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

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

2.6.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to understand whether the timing of payments is being taken into consideration when forecasting the cash position. A lower than 100% ratio is shown over the forecasted 2013/14 MTREF, due to the capital funding source CRR projected at 90% in the cash flow.

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

The purpose of this measure is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds. The City's long term borrowing is done in terms of chapter 6 of the MFMA, where a long term loan will only be entered into if it's affordable and sustainable. This ratio shows that the City's borrowing is less than its capital expenditure, therefore sustainable and compliant to the MFMA. The 2013/14 ratio shows 0%. This is as a result of the City not taking out a loan in 2013/14 due to the healthy cash position forecasted for this period. In 2014/15 this ratio is expected to average 72.5% given that the City is forecasting to take up a loan of R2bn. This ratio reduces in 2015/16 as the City is only expecting to take up a loan of R1.3bn.

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

The purpose of this measure is to ensure that all available transfers from all spheres of government have been included in the budget. The City's budget was compiled using the 2013 DORb and Provincial Gazette allocations. The outcome of this ratio for the City will not equate to 100%, due to the reasons listed below:

- The City included committed unspent grants rolled over from previous years and related interest accrued thereto, where applicable.
- Incorrect allocations made in the DORb in respect of the Neighbourhood Development Partnership Grant. The City included the lower value allocated to the City as per the letter received from National Treasury in this regard. No provision for this grant was made in the outer years by the City as the strategic direction from the national department is still under review.
- The DORb includes indirect grants which are not allocated to the City and does not flow through the City's budget.

- The City included 95% of the Equitable Share allocation for the outer years as the DORb states that only 90% of the outer years' allocation in respect of this grant is guaranteed.
- The 2013 Provincial Gazette allocated an amount for the grant "Fibre Optic Broadband Roll Out" in the municipal 2012/13 financial year. In this regard the City has informed the Provincial Treasury that this grant was not planned to be received in 2012/13 and that the City will not be able to spend it in the few months remaining. This grant allocation was therefore shifted to the 2013/14 MTREF.

2.6.5.11 Consumer debtors change (current and non-current)

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

2.6.5.12 Long term receivables % change

The purpose of this measure is to ascertain whether budgeted reductions in outstanding debtors are realistic. The actual outcome for this ratio shows a continuous decreasing trend. Furthermore, it remains acceptable and constant over the 2013/14. The continuous decline in this ratio is due to new loans, such as car loans and housing loans, no longer being allowed. Long term receivables are therefore being reduced by an average of 5% annually.

2.6.5.13 Repairs and maintenance expenditure level

This ratio is to indicate whether sufficient provision is made, in respect of repairs and maintenance for property, plant and equipment. It increases by 9.1 % over the 2013/14 MTREF and is higher than the National Treasury benchmark of 8%.

2.6.5.14 Asset renewal % of capital budget

This measure focuses on the credibility of the levels of asset renewal plans. The objective is to summarise and understand the proportion of budgets being provided for new assets, as well as also asset sustainability. This ratio outcome increases from 41.1% in 2013/14 to 39.8% in 2015/16. The outcome is distorted and understated, due to the inclusion of mega projects such as IRT in the capital budget. Excluding IRT, this ratio exceeds National norm of 40% stated in Circular 55. The consistent trend shows that the budget is credible and sustainable.

2.7 Ward Allocations

In step with previous financial years, it is proposed to allocate budgetary resources for project, programme or other initiatives' application at sub council level. While these resources will be spent by line departments, sub councils identify and recommend Ward Allocations' adoption (following sundry internal line departmental input and liaison) by Mayco and Council.

The total amount available to each ward is R700 000 per year per ward.

A ward allocation project must form part of the core business activities and assets of the lead department and must be aligned with the Service Delivery Business Implementation Plan (SDBIP) of the directorate. The executive directors are responsible for ensuring that all ward allocation projects within their respective directorates are completed during the financial year in respect of which the projects were approved by Council.

2.8 Expenditure on grants and reconciliations of unspent funds

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

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	1 804 254	89 546	133 238	1 679 172	1 423 829	1 423 829	1 810 804	2 081 258	2 318 301
Restructuring	58 857	1 911	2 244	3 884	5 303	5 303	3 379	-	-
Finance Management grant	-	832	1 187	1 250	1 443	1 443	1 250	1 250	1 250
Department of Water Affairs	4 271	3 227	7 407	-	-	-	-	-	-
Municipal Infrastructure Grant	-	2 479	-	-	-	-	-	-	-
Electricity Demand Side Management	-	27 780	995	-	1 359	1 359	-	-	-
Public Transport Infrastructure & Systems Grant	-	31 885	87 809	506 832	227 626	227 626	-	-	-
Dept of Environ Affairs and Tourism	8 744	13 426	193	7 283	7 504	7 504	200	-	-
Equitable share	486 734	7 528	7 952	1 093 004	1 093 004	1 093 004	1 248 993	1 426 963	1 724 334
Housing Accreditation	-	227	771	400	400	400	200	-	-
Local Government SETA	-	250	237	-	-	-	-	-	-
RSC Levies	1 245 648	-	-	-	-	-	-	-	-
South African National Biodiversity Institute	-	-	-	-	2 132	2 132	-	-	-
Urban Settlements Development Grant	-	-	23 244	46 314	55 574	55 574	148 898	485 064	549 318
Neighbourhood Development Partnership Grant	-	-	1 199	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant	-	-	-	20 205	29 484	29 484	32 080	-	-
Integrated City Development Grant	-	-	-	-	-	-	10 364	-	-
Public Transport Network Operations Grant	-	-	-	-	-	-	303 460	167 548	43 000
2014 African Nations Championship Host City Operating Grant	-	-	-	-	-	-	60 000	-	-
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	1 980	433	400
Provincial Government:	395 343	314 696	374 802	624 771	722 153	722 153	824 218	584 497	776 432
Local Government and Housing - Fire-fighting Assistance	871	434	-	-	-	-	-	-	-
Cultural Affairs and Sport - Library Services	14 696	14 194	16 334	23 470	22 470	22 470	24 409	26 650	29 535
Local Government and Housing - Housing	320 424	148 491	-	245 224	339 557	339 557	417 096	170 807	398 240
Local Government and Housing - Accreditation	-	251	-	7 100	7 100	7 100	10 000	-	-
Local Government and Housing - Settlement Assistance	-	676	179 565	-	-	-	-	-	-
Sustainable Transport	-	-	-	-	-	-	-	-	-
Health - TB	-	12 431	9 492	9 934	9 934	9 934	11 207	11 058	11 611
Health - Global Fund	-	19 031	17 920	43 015	36 913	36 913	34 753	35 109	28 952
Health - ARV	-	52 362	65 450	71 492	71 492	71 492	77 627	83 061	65 510
Health - Nutrition	-	3 454	4 019	4 140	4 140	4 140	4 400	4 576	4 740
Health - Vaccines	59 352	56 974	71 476	71 617	71 617	71 617	79 995	83 994	65 329
Comprehensive Health	-	-	-	138 779	138 779	138 779	147 132	152 842	156 890
Other	-	149	-	-	-	-	-	-	-
Table Mountain Biosphere	-	68	129	-	7	7	-	-	-
Mamre Fencing	-	-	278	-	63	63	-	-	-
Heritage Audit	-	-	-	-	4	4	-	-	-
Community Development Workers	-	2 000	160	-	-	-	-	-	-
Mobility Strategy	-	4 182	-	10 000	20 078	20 078	10 000	10 000	9 426
Comprehensive Integrated Transport Plan	-	-	9 657	-	-	-	-	-	-
Rail Park and Ride facilities	-	-	-	-	-	-	-	-	-
2010 FIFA World Cup	-	-	-	-	-	-	-	-	-
Municipal Land Transport Fund	-	-	-	-	-	-	5 600	5 900	6 200
Transport Safety and Compliance - Rail Safety	-	-	-	-	-	-	2 000	500	-
Local Government Multi purpose centres	-	-	322	-	-	-	-	-	-

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City of Cape Town 2013/14 Annual Budget and MTREF

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Other grant providers:	26 263	17 181	23 041	21 582	24 632	24 632	2 279	-	-
<i>Sunwest International</i>	-	350	-	-	-	-	-	-	-
<i>Tourism</i>	2 597	2 083	1 980	-	-	-	-	-	-
<i>Carnegie</i>	5 252	8 444	2 486	1 442	916	916	1 258	-	-
<i>CMTF</i>	-	2 513	11 989	19 654	17 773	17 773	170	-	-
<i>Other</i>	4 087	824	12	30	30	30	15	-	-
<i>Mamre Trust</i>	-	-	-	150	-	-	150	-	-
<i>MSF Funding</i>	-	454	-	-	-	-	-	-	-
<i>Baboon Management</i>	-	300	-	-	-	-	-	-	-
<i>Solar Energy</i>	-	-	-	-	146	146	-	-	-
<i>Cities for Climate Protection</i>	-	-	9	-	321	321	-	-	-
<i>Neil Desai Skills Development Project</i>	-	37	-	-	-	-	-	-	-
<i>JCLEI: Carbon Taxes</i>	-	-	35	-	117	117	-	-	-
<i>CID</i>	216	1 992	2 300	-	2 525	2 525	-	-	-
<i>Century City Property Owners Association</i>	-	-	285	-	183	183	-	-	-
<i>Outsurance</i>	-	-	630	-	1 024	1 024	-	-	-
<i>Rietvlei Conservation Fund</i>	-	-	-	305	305	305	-	-	-
<i>University of Columbia</i>	-	100	-	-	-	-	-	-	-
<i>NGK Ceramic Company</i>	-	-	1 068	-	686	686	686	-	-
<i>South African National Biodiversity Institute</i>	-	85	2 248	-	-	-	-	-	-
<i>Finland Government</i>	-	-	-	-	607	607	-	-	-
<i>DBSA</i>	688	-	-	-	-	-	-	-	-
<i>Bill Gates</i>	13 234	-	-	-	-	-	-	-	-
<i>World Health Organisation</i>	189	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	2 225 860	421 422	531 082	2 325 525	2 170 614	2 170 614	2 637 300	2 665 755	3 094 734
Capital expenditure of Transfers and Grants	-	-	-	-	-	-	-	-	-
National Government:	1 672 706	865 987	1 717 564	2 921 635	3 246 952	3 229 434	2 124 565	2 105 936	2 314 179
Department of Environmental Affairs & Tourism: Marine & Coastal Management	57	6	-	-	-	-	-	-	-
Department of Water Affairs & Forestry: Water Affairs & Forestry Grant	-	6 577	295	-	-	-	-	-	-
Minerals & Energy: Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	9 020	4 982	9 600
Minerals & Energy: Electricity Demand Side Management (Eskom) Grant	2 519	17 010	28 962	-	5 294	5 294	-	-	-
Minerals & Energy: Integrated National Electrification Programme (Municipal) Grant	8 760	4 434	3 551	-	-	-	25 001	18 000	50 000
National Government - Other: Previous years' Dora allocations	131	64	1 400	1 200	962	712	200	-	-
National Treasury: Local Government Finance Management Grant	1 044	1 777	90	-	-	-	-	-	-
National Treasury: Local Government Restructuring Grant	26 798	6 931	962	-	200	200	-	-	-
National Treasury: Neighbourhood Development Partnership Grant	39 266	47 141	88 990	52 547	65 097	65 097	30 000	-	-
National Treasury: Other	5 184	3 980	20 026	26 860	11 290	11 289	17 443	-	-
National Treasury: Urban Settlements Development Grant	-	-	729 919	888 905	987 273	970 007	1 044 599	873 815	857 564
Provincial and Local Government: Municipal Infrastructure Grant (MIG Cities)	304 946	247 294	-	-	-	-	-	-	-
Sport & Recreation SA: 2010 Fifa World Cup Stadiums Development Grant	511 357	57 997	1 158	-	6 617	6 617	-	-	-
Sport & Recreation: 2014 African Nation Championship Host City Operating Grant	-	-	-	-	-	-	3 000	-	-
Transport: Public Transport Infrastructure & Systems Grant	772 646	472 777	842 211	1 952 123	2 170 218	2 170 218	-	-	-
Transport: Public Transport Infrastructure Grant	-	-	-	-	-	-	946 241	1 159 140	1 222 015
Transport: Public Transport Network Operations Grant	-	-	-	-	-	-	49 061	50 000	175 000

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Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Provincial Government:	253 151	304 847	335 474	355 487	390 352	386 083	343 021	249 935	49 732
Cultural Affairs and Sport: Development of Sport and Recreation Facilities	3 445	103	-	-	-	-	874	-	-
Cultural Affairs and Sport: Library Services (Conditional Grant)	2 762	9 756	5 500	1 671	2 691	2 691	1 350	10 605	-
Economic Development and Tourism: False Bay Ecology	-	-	-	1 000	176	176	-	-	-
Health: Global Fund	2 841	211	1 297	1 375	1 375	1 375	-	-	-
Housing: Integrated Housing and Human Settlement Development Grant	166 671	266 745	316 391	323 085	353 833	349 563	319 388	223 628	33 400
Housing: Previous years' Gazetted allocations	19 889	194	66	-	-	-	-	-	-
Housing: Previous years' allocations	-	-	-	-	-	-	5 000	-	-
Local Government: Multi-Purpose Centres	2 236	8	8	-	9	9	-	-	-
Other: Other	-	-	-	-	500	500	-	-	-
Provincial Government: Fibre Optic Broadband Roll Out	-	-	-	-	-	-	10 000	10 702	11 332
Provincial Government: Previous years' Gazetted allocations	1 563	-	-	-	-	-	-	-	-
Transport: Municipal Land Transport Fund	-	-	-	-	-	-	5 000	5 000	5 000
Transport and Public Works: Cape Metropolitan Transport Fund	53 743	27 830	9 343	28 355	30 085	30 085	1 409	-	-
Transport and Public Works: Other	-	-	2 869	-	1 683	1 683	-	-	-
Other grant providers:	68 988	49 210	52 947	57 707	46 588	45 586	53 250	61 142	53 600
<i>Other: Other</i>	68 988	49 210	52 947	57 707	46 588	45 586	53 250	61 142	53 600
Total capital expenditure of Transfers and Grants	1 994 844	1 220 044	2 105 985	3 334 829	3 683 893	3 661 103	2 520 837	2 417 014	2 417 511
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	4 220 704	1 641 465	2 637 067	5 660 353	5 854 507	5 831 717	5 158 137	5 082 769	5 512 245

2.9 Councillor and employee benefits

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

Summary of Employee and Councillor remuneration	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	51 602	54 299	74 370	111 738	105 014	105 014	115 515	123 139	131 513
Pension and UIF Contributions	7 455	6 908	4 067	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	10 427	10 646	7 890	7 890	8 206	8 748	9 342
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	25 394	27 414	8 908	-	-	-	-	-	-
Sub Total - Councillors	84 451	88 621	97 772	122 384	112 904	112 904	123 721	131 887	140 855
% increase	-	4.9%	10.3%	25.2%	(7.7%)	-	1.1%	6.6%	6.8%
Senior Managers of the Municipality									
Basic Salaries and Wages	12 339	12 083	12 962	18 419	18 419	18 419	18 061	19 596	21 282
Pension and UIF Contributions	1 657	1 670	1 308	1 388	1 388	1 388	3 063	3 324	3 609
Medical Aid Contributions	-	-	239	267	267	267	265	287	312
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	86	3 429	1 003	147	147	147	-	-	-
Motor Vehicle Allowance	730	696	627	686	686	686	420	456	495
Cellphone Allowance	-	-	166	179	179	179	102	111	120
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	101	43	978	177	177	177	74	80	88
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	14 913	17 921	17 283	21 263	21 263	21 263	21 985	23 854	25 906
% increase	-	20.2%	(3.6%)	23.0%	-	-	3.4%	8.5%	8.6%
Other Municipal Staff									
Basic Salaries and Wages	3 506 256	3 848 840	4 347 540	5 159 490	5 057 857	5 050 185	5 629 326	6 128 229	6 659 961
Pension and UIF Contributions	529 355	617 670	672 305	928 393	898 217	892 267	996 761	1 084 671	1 177 954
Medical Aid Contributions	301 345	352 131	397 212	445 619	445 180	445 180	483 170	524 240	569 325
Overtime	260 779	277 175	310 205	278 736	293 241	293 241	302 073	329 170	355 476
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	156 642	167 143	176 258	182 764	183 220	183 220	193 218	207 448	225 289
Cellphone Allowance	11 734	12 388	12 682	13 534	13 514	13 536	13 929	14 487	15 733
Housing Allowances	43 831	31 315	31 061	30 932	30 906	30 906	28 176	30 571	33 200
Other benefits and allowances	134 769	131 273	154 056	191 258	191 025	191 025	222 484	241 396	262 154
Payments in lieu of leave	55 522	58 258	84 554	124 133	124 133	124 133	130 297	141 373	153 531
Long service awards	59 165	8 156	436	36 182	36 182	36 182	49 059	53 228	57 806
Post-retirement benefit obligations	512 856	601 498	712 420	365 218	373 001	373 001	156 778	170 104	184 733
Sub Total - Other Municipal Staff	5 572 254	6 105 847	6 898 729	7 756 258	7 646 476	7 632 876	8 205 271	8 924 917	9 695 162
% increase	-	9.6%	12.6%	12.8%	(1.4%)	2.1%	7.5%	8.8%	8.6%
Total Parent Municipality	5 671 618	6 212 389	7 013 784	7 899 905	7 780 643	7 767 043	8 350 977	9 080 658	9 861 923

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Summary of Employee and Councillor remuneration	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Board Members of Entities									
Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Board Fees	459	237	144	406	250	250	265	281	298
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities	459	237	144	406	250	250	265	281	298
% increase	-	(48.4%)	(39.2%)	181.9%	(38.4%)	-	(100.0%)	-	-
Senior Managers of Entities									
Basic Salaries and Wages	1 893	1 314	1 283	1 572	1 595	1 595	1 723	1 860	2 009
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	111	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities	2 004	1 314	1 283	1 572	1 595	1 595	1 723	1 860	2 009
% increase	-	(34.4%)	(2.4%)	22.5%	1.5%	-	(100.0%)	-	-
Other Staff of Entities									
Basic Salaries and Wages	27 558	29 453	31 500	35 725	37 567	37 567	39 899	43 686	54 273
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities	27 558	29 453	31 500	35 725	37 567	37 567	39 899	43 686	54 273
% increase	-	6.9%	7.0%	13.4%	5.2%	-	(100.0%)	-	-
Total Municipal Entities	30 021	31 004	32 927	37 703	39 412	39 412	41 887	45 827	56 580
TOTAL SALARY, ALLOWANCES & BENEFITS	5 701 639	6 243 393	7 046 711	7 937 608	7 820 055	7 806 455	8 392 864	9 126 485	9 918 503
% increase		9.5%	12.9%	12.6%	(1.5%)	(0.2%)	7.5%	8.7%	8.7%
TOTAL MANAGERS AND STAFF	5 616 729	6 154 535	6 948 795	7 814 818	7 706 901	7 693 301	8 268 878	8 994 317	9 777 350

Table 53 MBRR Table SA23 - Salaries, allowances and benefits (political office bearers / councillors / senior managers)

Disclosure of Salaries, Allowances & Benefits	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum							
Councillors							
Speaker	1	939 975	-	21 859	-	-	961 834
Chief Whip	1	881 226	-	21 859	-	-	903 085
Executive Mayor	1	1 174 968	-	43 811	-	-	1 218 779
Deputy Executive Mayor	1	939 975	-	21 859	-	-	961 834
Executive Committee	10	8 812 254	-	218 592	-	-	9 030 846
Total for all other councillors	207	102 766 719	-	7 877 927	-	-	110 644 646
Total Councillors	221	115 515 117	-	8 205 907	-	-	123 721 024
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1 853 129	277 381	40 930	-	-	2 171 440
Chief Finance Officer	1	1 367 033	206 403	102 285	-	-	1 675 721
Deputy City Manager	1	1 599 868	241 288	8 759	-	-	1 849 915
Executive Director: Corporate Services	1	995 506	663 670	-	-	-	1 659 176
Executive Director: City Health	1	1 046 827	196 197	170 616	-	-	1 413 640
Executive Director: Transport, Roads & Stormwater	1	1 659 176	-	15 778	-	-	1 674 954
Executive Director: Community Services	1	1 364 544	205 667	91 690	-	-	1 661 901
Executive Director: Human Settlements	1	910 956	607 304	-	-	-	1 518 260
Executive Director: Safety & Security	1	1 362 854	179 191	132 909	-	-	1 674 954
Executive Director: Economic, Environment & Spatial Planning	1	1 615 089	45 284	15 778	-	-	1 676 151
Executive Director: Social & Early Childhood Development	1	1 008 268	672 179	-	-	-	1 680 447
Executive Director: Tourism, Events and Marketing	1	1 659 176	-	15 778	-	-	1 674 954
Executive Director: Utility Services	1	1 618 709	33 147	1 977	-	-	1 653 833
Total Senior Managers of the Municipality	13	18 061 135	3 327 711	596 500	-	-	21 985 346
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	234	133 576 252	3 327 711	8 802 407	-	-	145 706 370

Table 54 MBRR Table SA24 - Summary of personnel numbers

Summary of Personnel Numbers Number	2011/12			Current Year 2012/13			Budget Year 2013/14		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	221	-	221	221	-	221	221	-	221
Board Members of municipal entities	-	-	-	-	-	-	-	-	-
Municipal employees									
Municipal Manager and Senior Managers	13	-	13	13	-	12	13	-	12
Other Managers	-	-	-	-	-	-	-	-	-
Professionals	2 057	1 968	90	2 037	1 933	104	2 037	1 933	104
<i>Finance</i>	249	242	7	241	233	8	241	233	8
<i>Spatial/town planning</i>	26	26	-	26	26	-	26	26	-
<i>Information Technology</i>	147	146	1	115	113	2	115	113	2
<i>Roads</i>	86	83	3	88	83	5	88	83	5
<i>Electricity</i>	137	135	2	137	134	3	137	134	3
<i>Water</i>	142	139	3	141	141	-	141	141	-
<i>Sanitation</i>	50	50	-	49	49	-	49	49	-
<i>Refuse</i>	48	47	1	52	50	2	52	50	2
<i>Other</i>	1 173	1 100	73	1 188	1 105	84	1 188	1 105	84
Technicians	2 400	2 207	193	2 481	2 275	206	2 481	2 275	206
<i>Finance</i>	66	66	-	65	63	2	65	63	2
<i>Spatial/town planning</i>	3	3	-	4	4	-	4	4	-
<i>Information Technology</i>	115	115	-	146	146	-	146	146	-
<i>Roads</i>	45	45	-	42	42	-	42	42	-
<i>Electricity</i>	225	224	1	220	219	1	220	219	1
<i>Water</i>	155	155	-	158	157	1	158	157	1
<i>Sanitation</i>	27	27	-	30	30	-	30	30	-
<i>Refuse</i>	49	49	-	47	47	-	47	47	-
<i>Other</i>	1 715	1 523	192	1 769	1 567	202	1 769	1 567	202
Clerks (Clerical and administrative)	6 072	5 778	294	6 164	5 880	284	6 164	5 880	284
Service and sales workers	2 854	2 670	184	3 088	2 891	197	3 088	2 891	197
Skilled agricultural and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades	2 222	2 128	94	2 267	2 174	93	2 267	2 174	93
Plant and Machine Operators	3 207	3 180	27	3 253	3 236	17	3 253	3 236	17
Elementary Occupations	6 197	6 019	178	6 020	5 932	88	6 020	5 932	88
TOTAL PERSONNEL NUMBERS	25 242	23 948	1 294	25 543	24 320	1 222	25 543	24 320	1 222
% increase	-	-	-	1.2%	1.6%	(5.6%)	-	-	-
Total municipal employees headcount									
Finance personnel headcount	1 682	1 646	36	1 652	1 637	15	1 652	1 637	15
Human Resources personnel headcount	306	303	3	311	309	2	311	309	2

2.10 Monthly targets for revenue, expenditure and cash flow

Table 55 MBRR Table SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source															
Property rates	374 923	478 351	452 008	462 687	438 136	473 706	480 155	436 427	417 380	491 337	457 666	464 611	5 427 388	5 807 305	6 213 817
Property rates - penalties & collection charges	8 310	8 310	8 310	8 310	8 310	8 310	8 310	8 310	8 310	8 310	8 310	8 310	99 720	106 701	114 170
Service charges - electricity revenue	840 772	895 977	854 268	802 718	750 424	738 050	772 789	715 507	824 217	794 812	844 761	834 112	9 668 405	10 627 511	11 611 618
Service charges - water revenue	142 931	151 952	163 227	174 768	197 160	197 160	249 027	230 986	229 061	245 176	211 020	151 384	2 343 850	2 591 038	2 874 475
Service charges - sanitation revenue	90 849	90 849	93 314	103 174	111 802	99 477	121 662	110 569	110 569	122 894	106 872	80 989	1 243 019	1 374 779	1 526 005
Service charges - refuse revenue	76 375	79 505	80 690	80 690	79 315	79 315	79 315	79 315	79 315	79 315	79 315	79 320	951 786	1 021 113	1 117 769
Service charges - other	19 861	17 950	18 049	19 311	20 403	20 201	21 971	20 940	22 387	19 274	19 445	20 488	240 280	253 736	268 453
Rental of facilities and equipment	25 617	25 622	25 626	25 846	26 185	26 147	30 414	30 294	30 352	30 508	30 710	28 857	336 179	352 223	369 016
Interest earned - external investments	23 578	23 578	23 578	23 578	23 578	23 578	24 418	23 578	23 578	23 578	23 578	24 418	284 618	292 445	303 664
Interest earned - outstanding debtors	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	247 448	261 305	276 461
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	15 130	14 146	11 195	15 150	15 150	15 150	15 150	15 150	15 130	15 130	15 130	20 049	181 659	191 832	202 958
Licences and permits	3 313	3 429	3 313	2 966	2 966	2 968	2 968	2 852	2 852	2 736	2 620	2 621	35 601	37 595	39 775
Agency services	7 999	11 488	10 166	10 166	10 166	10 166	10 166	10 166	10 166	10 166	10 166	11 012	121 993	128 825	136 297
Transfers recognised - operational	470 596	80 120	86 926	95 266	106 267	508 531	69 110	81 435	93 004	158 612	156 456	730 979	2 637 300	2 665 755	3 094 734
Other revenue	179 554	179 175	179 176	179 176	179 186	182 078	182 560	182 392	182 021	181 927	181 916	186 643	2 175 802	2 297 942	2 431 222
Gains on disposal of PPE	375	375	375	376	2 278	6 086	2 762	7 228	3 801	3 801	19 411	22 131	69 000	90 897	109 343
Total Revenue (excluding capital transfers and contributions)	2 300 804	2 081 448	2 030 841	2 024 803	1 991 944	2 411 543	2 091 397	1 975 770	2 072 763	2 208 197	2 187 995	2 686 544	26 064 049	28 101 001	30 689 776

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City of Cape Town 2013/14 Annual Budget and MTREF

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type															
Employee related costs	663 236	661 272	660 248	660 967	969 230	659 950	660 516	656 995	659 245	658 321	659 116	658 159	8 227 256	8 948 772	9 721 068
Remuneration of councillors	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	123 721	131 887	140 855
Debt impairment	82 922	82 922	82 922	82 922	82 922	82 922	82 922	82 922	82 922	82 922	82 922	82 922	995 068	1 064 858	1 136 380
Depreciation & asset impairment	159 570	159 570	159 570	159 570	159 570	159 570	159 570	159 570	159 570	159 570	159 570	179 470	1 934 741	2 069 894	2 214 534
Finance charges	71 991	71 991	71 991	71 991	71 991	71 991	71 991	71 991	71 991	71 991	71 991	71 991	863 894	960 456	1 169 031
Bulk purchases	58 160	874 727	879 274	480 840	490 768	466 438	449 434	466 254	459 222	492 759	467 439	1 313 566	6 898 881	7 545 500	8 211 995
Other materials	27 369	28 247	28 891	29 221	29 224	29 428	28 719	29 409	29 803	29 153	29 817	39 291	358 573	386 383	417 002
Contracted services	169 228	210 311	226 435	241 634	266 606	278 980	233 470	260 722	271 274	295 476	319 339	436 149	3 209 625	3 275 265	3 516 109
Transfers and grants	3 064	3 064	3 773	3 064	9 327	3 064	3 064	3 064	3 773	3 064	3 064	3 064	44 448	56 487	55 941
Other expenditure	292 779	278 472	289 803	274 597	277 069	273 510	299 034	278 221	284 681	290 105	315 147	498 384	3 651 802	3 929 670	4 338 795
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	1 538 629	2 380 886	2 413 217	2 015 116	2 367 019	2 036 165	1 999 030	2 019 458	2 032 792	2 093 673	2 118 716	3 293 307	26 308 008	28 369 172	30 921 710
Surplus/(Deficit)	762 175	(299 439)	(382 376)	9 686	(375 075)	375 378	92 367	(43 688)	39 971	114 525	69 280	(606 763)	(243 958)	(268 171)	(231 934)
Transfers recognised - capital	151 022	114 291	126 981	148 976	143 500	143 062	93 106	197 148	213 308	238 012	333 557	564 624	2 467 587	2 355 871	2 363 911
Contributions recognised - capital	1 610	2 090	3 570	3 980	4 430	4 320	2 720	4 230	5 310	6 150	7 250	7 590	53 250	61 142	53 600
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	914 808	(183 057)	(251 826)	162 642	(227 145)	522 760	188 193	157 690	258 589	358 686	410 086	(34 549)	2 276 878	2 148 842	2 185 577
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	914 808	(183 057)	(251 826)	162 642	(227 145)	522 760	188 193	157 690	258 589	358 686	410 086	(34 549)	2 276 878	2 148 842	2 185 577

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

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote															
Vote 1 - City Health	34 103	29 728	30 437	29 978	33 528	49 242	16 467	16 567	17 176	65 811	29 478	80 622	433 136	455 190	445 094
Vote 2 - City Manager	0	0	0	0	0	0	0	0	0	0	0	0	-	-	-
Vote 3 - Community Services	38 109	15 055	14 365	13 372	13 171	11 012	12 390	18 978	25 299	26 157	23 426	17 654	228 988	200 166	194 235
Vote 4 - Corporate Services	486	486	486	736	886	4 099	4 024	3 599	4 299	5 799	7 149	10 888	42 936	45 200	47 537
Vote 5 - Deputy City Manager	13 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	2 924	46 084	3 173	3 357
Vote 6 - Economic, Environment & Spatial Planning	8 641	6 683	6 646	7 227	8 114	7 059	7 409	8 025	8 978	7 779	11 563	11 798	99 921	108 085	118 045
Vote 7 - Finance	48 536	51 647	50 325	50 536	52 648	56 545	55 230	60 132	56 334	56 241	71 839	80 055	690 066	734 389	783 499
Vote 8 - Human Settlements	58 873	83 045	92 866	98 875	107 107	88 384	62 677	82 664	98 372	114 919	151 801	279 715	1 319 298	1 206 644	1 265 742
Vote 9 - Rates & Other	935 249	644 661	618 318	628 997	604 445	1 034 032	646 464	602 737	583 689	657 647	623 975	1 024 937	8 605 150	9 269 249	10 077 214
Vote 10 - Safety & Security	19 803	19 629	15 802	19 545	19 558	19 558	19 558	19 442	19 439	19 181	19 065	23 935	234 513	246 954	261 303
Vote 11 - Social and Early Childhood Development	33	33	33	33	33	33	33	33	33	33	33	33	401	423	447
Vote 12 - Tourism, Events and Marketing	775	780	1 181	6 211	8 890	6 304	8 398	8 299	8 337	13 494	13 695	11 562	87 930	23 427	23 537
Vote 13 - Transport, Roads and Stormwater	82 191	73 475	79 011	99 055	92 633	89 375	79 841	145 602	145 855	152 547	213 104	386 971	1 639 659	1 745 931	1 772 044
Vote 14 - Utility Services	1 212 713	1 269 684	1 248 998	1 220 270	1 195 939	1 190 358	1 271 809	1 208 145	1 320 645	1 329 828	1 360 750	1 327 664	15 156 803	16 479 184	18 115 234
Total Revenue by Vote	2 453 437	2 197 829	2 161 392	2 177 758	2 139 874	2 558 924	2 187 223	2 177 148	2 291 381	2 452 359	2 528 802	3 258 758	28 584 886	30 518 014	33 107 288
Expenditure by Vote to be appropriated															
Vote 1 - City Health	67 002	68 951	69 358	68 737	92 373	67 712	67 574	67 423	67 747	67 142	66 963	68 145	839 126	896 631	911 108
Vote 2 - City Manager	289	11 457	289	289	289	289	289	289	289	289	289	289	14 640	16 330	17 379
Vote 3 - Community Services	110 760	110 772	112 214	114 812	149 326	112 236	114 301	111 707	113 460	111 539	111 618	117 140	1 389 886	1 525 599	1 647 097
Vote 4 - Corporate Services	129 731	123 155	135 639	122 440	148 301	124 956	138 553	124 299	126 964	124 966	127 627	150 441	1 577 070	1 696 093	1 822 029
Vote 5 - Deputy City Manager	52 645	53 924	55 473	55 193	63 831	54 665	67 519	54 315	54 026	55 421	54 296	78 729	700 037	718 196	771 313
Vote 6 - Economic, Environment & Spatial Planning	37 201	37 373	39 997	38 947	51 736	49 974	39 120	39 493	39 348	39 848	40 456	41 532	495 026	530 303	572 528
Vote 7 - Finance	171 233	146 369	147 765	145 540	175 914	146 206	150 535	150 533	150 753	149 485	149 586	172 137	1 856 055	2 012 850	2 301 625
Vote 8 - Human Settlements	61 327	66 591	71 901	76 217	94 460	82 223	62 951	75 334	87 204	99 709	133 526	276 732	1 188 177	1 309 987	1 653 855
Vote 9 - Rates & Other	66 056	68 519	68 519	68 519	68 519	68 519	68 519	68 519	68 519	68 519	68 519	70 982	822 222	869 488	926 113
Vote 10 - Safety & Security	121 133	121 836	120 716	121 160	171 905	121 058	121 297	120 327	121 362	121 057	121 302	121 151	1 504 305	1 620 982	1 752 450
Vote 11 - Social and Early Childhood Development	5 387	5 987	6 256	6 295	7 760	6 295	6 358	6 371	6 362	6 372	6 061	7 125	76 631	83 779	89 957
Vote 12 - Tourism, Events and Marketing	31 425	33 257	33 068	40 670	47 049	48 683	44 820	45 000	44 916	53 274	59 088	62 341	543 591	516 094	550 878
Vote 13 - Transport, Roads and Stormwater	125 911	132 287	144 501	146 294	173 877	151 193	136 077	159 187	162 605	165 970	171 254	249 875	1 919 030	1 912 897	1 909 273
Vote 14 - Utility Services	558 529	1 400 408	1 407 519	1 010 002	1 121 680	1 002 155	981 117	996 661	989 238	1 030 083	1 008 131	1 876 688	13 382 212	14 659 943	15 996 104
Total Expenditure by Vote	1 538 629	2 380 886	2 413 217	2 015 116	2 367 019	2 036 165	1 999 030	2 019 458	2 032 792	2 093 673	2 118 716	3 293 307	26 308 008	28 369 172	30 921 710
Surplus/(Deficit) before assoc.	914 808	(183 057)	(251 826)	162 642	(227 145)	522 760	188 193	157 690	258 589	358 686	410 086	(34 549)	2 276 878	2 148 842	2 185 577
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	914 808	(183 057)	(251 826)	162 642	(227 145)	522 760	188 193	157 690	258 589	358 686	410 086	(34 549)	2 276 878	2 148 842	2 185 577

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

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard															
Governance and administration	968 744	677 777	651 434	662 579	640 285	1 076 943	687 507	648 450	626 671	702 129	685 417	1 094 970	9 122 905	9 821 685	10 667 949
Executive and council	208	208	208	208	208	208	208	208	208	208	208	208	2 498	2 637	2 790
Budget and treasury office	959 550	668 962	642 618	653 298	628 746	1 058 382	670 765	627 038	607 990	681 948	648 276	1 052 135	8 899 708	9 568 553	10 388 062
Corporate services	8 985	8 607	8 607	9 073	11 330	18 352	16 534	21 204	18 473	19 973	36 933	42 627	220 699	250 495	277 097
Community and public safety	161 514	146 588	152 817	165 941	177 319	172 113	117 592	143 818	165 847	238 725	235 318	413 848	2 291 440	2 124 286	2 191 320
Community and social services	6 177	6 227	7 178	7 208	8 462	8 199	8 911	10 308	11 880	12 366	11 841	9 514	108 274	96 297	70 605
Sport and recreation	32 207	9 108	7 868	11 875	10 549	8 615	11 365	16 457	21 245	26 773	24 769	19 203	200 033	121 008	141 631
Public safety	30 803	19 629	15 802	19 545	20 057	19 757	19 757	20 241	21 439	21 180	21 565	26 734	256 509	257 949	272 298
Housing	58 276	81 948	91 584	97 388	104 774	86 351	61 144	80 297	94 160	112 647	147 718	277 827	1 294 115	1 194 504	1 262 392
Health	34 050	29 676	30 385	29 926	33 476	49 190	16 415	16 515	17 124	65 759	29 426	80 570	432 509	454 528	444 394
Economic and environmental services	110 288	103 602	107 965	128 789	124 104	119 530	110 324	177 344	180 027	183 487	249 627	424 899	2 019 985	2 101 646	2 142 559
Planning and development	18 058	18 566	18 751	19 532	20 382	20 120	20 449	21 454	23 083	20 821	22 570	22 166	245 953	217 922	220 460
Road transport	89 277	84 050	88 264	108 308	101 886	98 628	89 094	154 856	155 108	161 800	222 358	397 070	1 750 700	1 863 190	1 896 104
Environmental protection	2 952	986	949	949	1 836	781	781	1 034	1 836	865	4 699	5 662	23 332	20 534	25 996
Trading services	1 212 725	1 269 695	1 249 010	1 220 282	1 195 450	1 190 170	1 271 621	1 207 357	1 318 656	1 327 840	1 358 261	1 324 876	15 145 942	16 468 330	18 104 387
Electricity	870 532	910 540	870 211	818 871	766 827	777 643	787 182	735 860	845 100	816 085	886 765	917 695	10 003 311	10 942 346	12 006 717
Water	156 979	166 113	180 251	192 405	213 286	214 327	270 150	251 014	250 980	268 126	236 059	176 382	2 576 070	2 842 370	3 104 120
Waste water management	101 719	101 419	105 739	116 197	123 905	111 767	132 856	139 050	141 144	162 196	154 004	149 366	1 539 364	1 635 666	1 789 051
Waste management	83 494	91 623	92 808	92 808	91 433	86 433	81 433	81 433	81 433	81 433	81 433	81 433	1 027 198	1 047 948	1 204 499
Other	167	167	167	167	2 716	169	179	179	179	179	179	165	4 613	2 068	1 072
Total Revenue - Standard	2 453 437	2 197 829	2 161 392	2 177 758	2 139 874	2 558 924	2 187 223	2 177 148	2 291 381	2 452 359	2 528 802	3 258 758	28 584 886	30 518 014	33 107 288

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City of Cape Town 2013/14 Annual Budget and MTREF

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure - Standard																
Governance and administration	412 241	395 789	400 716	384 717	451 401	391 158	418 098	390 513	393 289	391 419	395 479	469 965	4 894 788	5 267 739	5 789 645	
Executive and council	27 936	39 098	27 986	27 910	32 540	27 986	40 200	27 901	27 918	27 912	27 918	28 218	363 522	390 749	415 806	
Budget and treasury office	185 787	188 249	189 261	186 888	209 056	186 946	191 534	191 334	191 543	190 412	190 579	196 851	2 298 441	2 476 042	2 793 024	
Corporate services	198 518	168 442	183 469	169 919	209 805	176 227	186 364	171 278	173 829	173 096	176 983	244 897	2 232 825	2 400 948	2 580 815	
Community and public safety	379 569	389 921	397 088	410 846	534 789	414 202	397 116	405 968	420 795	435 582	471 619	627 724	5 285 220	5 677 884	6 314 871	
Community and social services	38 126	38 688	40 683	42 595	55 965	40 418	42 450	40 108	41 815	40 004	40 025	47 329	508 206	574 191	616 397	
Sport and recreation	96 570	97 969	97 778	105 485	129 701	106 126	106 197	105 980	106 029	110 964	113 158	115 526	1 291 485	1 329 856	1 435 648	
Public safety	125 892	127 062	126 845	127 291	176 361	127 188	127 417	126 594	127 486	127 237	127 433	129 472	1 576 278	1 698 299	1 839 941	
Housing	58 377	63 640	68 816	73 127	90 324	79 138	59 865	72 244	84 119	96 624	130 441	273 642	1 150 357	1 265 889	1 606 166	
Health	60 604	62 561	62 965	62 349	82 438	61 331	61 186	61 042	61 347	60 753	60 562	61 755	758 894	809 650	816 718	
Economic and environmental services	190 627	197 154	211 474	212 901	259 531	228 339	202 695	226 216	229 488	233 233	238 305	312 144	2 742 106	2 763 343	2 824 400	
Planning and development	47 599	47 631	48 995	47 761	58 592	58 726	47 983	47 972	47 993	48 524	48 077	48 938	598 792	610 430	655 458	
Road transport	126 469	132 833	144 390	146 872	175 726	151 290	136 492	159 649	163 046	166 302	170 754	243 529	1 917 353	1 911 130	1 907 404	
Environmental protection	16 558	16 691	18 089	18 268	25 213	18 323	18 219	18 595	18 448	18 406	19 474	19 677	225 961	241 782	261 538	
Trading services	552 492	1 393 925	1 400 194	1 002 586	1 113 718	995 218	973 878	989 407	981 971	1 022 927	1 001 797	1 870 379	13 298 491	14 569 529	15 897 140	
Electricity	166 165	988 003	992 786	593 727	630 287	579 301	562 319	578 729	572 092	605 484	580 259	1 467 981	8 317 132	9 145 527	9 956 710	
Water	180 200	179 519	178 939	179 450	211 063	180 161	178 760	178 717	179 728	179 602	179 804	178 706	2 184 650	2 415 324	2 649 568	
Waste water management	86 763	95 337	97 426	95 958	110 595	101 243	102 392	102 218	101 717	101 758	102 640	105 583	1 203 629	1 302 231	1 437 737	
Waste management	119 364	131 066	131 044	133 452	161 773	134 512	130 407	129 742	128 433	136 082	139 094	118 109	1 593 079	1 706 447	1 853 125	
Other	3 701	4 097	3 744	4 066	7 580	7 248	7 242	7 354	7 249	10 512	11 516	13 095	87 403	90 678	95 654	
Total Expenditure - Standard	1 538 629	2 380 886	2 413 217	2 015 116	2 367 019	2 036 165	1 999 030	2 019 458	2 032 792	2 093 673	2 118 716	3 293 307	26 308 008	28 369 172	30 921 710	
Surplus/(Deficit) before assoc.	914 808	(183 057)	(251 826)	162 642	(227 145)	522 760	188 193	157 690	258 589	358 686	410 086	(34 549)	2 276 878	2 148 842	2 185 577	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	914 808	(183 057)	(251 826)	162 642	(227 145)	522 760	188 193	157 690	258 589	358 686	410 086	(34 549)	2 276 878	2 148 842	2 185 577	

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

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Multi-year expenditure to be appropriated															
Vote 1 - City Health	1 500	1 750	2 050	2 400	2 800	1 100	1 500	2 000	1 350	2 200	2 650	2 416	23 716	17 466	25 466
Vote 2 - City Manager	50	-	35	20	-	-	-	16	25	5	43	28	222	222	222
Vote 3 - Community Services	49 218	10 332	10 211	11 005	9 963	7 770	19 596	20 430	26 473	25 444	20 085	12 597	223 123	181 434	154 670
Vote 4 - Corporate Services	-	2 497	7 794	13 825	14 232	5 690	2 986	22 611	32 731	42 027	48 239	71 260	263 892	218 263	243 893
Vote 5 - Deputy City Manager	12 809	1 411	1 634	1 649	1 578	1 169	1 233	1 589	1 519	1 252	1 143	22 404	49 390	41 417	37 317
Vote 6 - Economic, Environment & Spatial Planning	1 320	8 638	2 343	2 288	2 208	2 050	10 205	4 298	5 903	5 856	7 519	13 881	66 507	58 209	62 527
Vote 7 - Finance	4 340	-	1 073	1 030	824	254	519	514	569	514	514	788	10 941	7 172	3 781
Vote 8 - Human Settlements	26 939	47 390	54 681	59 399	60 355	55 532	30 069	41 372	57 039	53 471	57 388	73 785	617 419	393 916	122 833
Vote 9 - Rates & Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Safety & Security	584	755	6 124	3 634	5 747	2 413	3 037	3 637	2 560	2 033	6 796	3 607	40 927	33 127	35 127
Vote 11 - Social and Early Childhood Development	-	-	-	2 450	600	-	3 000	-	-	2 010	-	200	8 260	13 010	11 010
Vote 12 - Tourism, Events and Marketing	50	-	1 500	2 720	6 781	3 880	1 200	3 665	2 105	1 570	1 570	1 120	26 161	25 250	30 250
Vote 13 - Transport, Roads and Stormwater	59 506	50 427	54 112	74 282	69 332	64 628	52 020	122 388	123 495	130 824	192 381	388 403	1 381 796	1 609 413	1 770 088
Vote 14 - Utility Services	111 088	141 177	151 410	167 826	196 518	185 823	103 223	194 623	305 597	261 668	348 200	537 178	2 704 329	2 538 806	2 882 944
Total Capital Expenditure	267 403	264 377	292 966	342 528	370 936	330 309	228 588	417 142	559 366	528 874	686 528	1 127 666	5 416 684	5 137 705	5 380 129

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

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard															
Governance and administration	6 839	4 324	11 532	17 422	20 419	7 877	5 257	25 827	36 140	44 504	50 436	95 835	326 414	276 647	293 405
Executive and council	1 706	1 235	1 332	1 323	1 322	1 099	1 070	1 314	1 318	1 137	1 137	22 412	36 405	39 700	35 887
Budget and treasury office	2 010	-	1 000	676	339	289	-	510	650	110	35	330	5 949	4 953	4 104
Corporate services	3 123	3 089	9 201	15 422	18 758	6 489	4 187	24 002	34 173	43 258	49 265	73 094	284 060	231 995	253 414
Community and public safety	89 025	59 964	74 786	82 415	82 575	70 112	58 709	73 570	89 666	92 383	95 092	102 970	971 266	697 688	431 865
Community and social services	3 375	3 310	3 885	6 350	5 547	5 285	9 985	10 100	11 495	13 300	8 795	6 726	88 153	89 404	42 848
Sport and recreation	45 843	7 022	7 376	9 444	9 047	6 145	13 781	13 545	16 433	15 625	12 860	6 991	164 111	128 540	152 431
Public safety	11 368	992	7 345	5 572	6 426	3 350	4 175	8 183	6 929	9 477	16 850	14 351	95 017	77 361	88 286
Housing	26 939	46 890	54 131	58 649	58 755	54 232	29 269	39 742	53 559	51 931	54 038	72 635	600 769	384 916	122 833
Health	1 500	1 750	2 050	2 400	2 800	1 100	1 500	2 000	1 250	2 050	2 550	2 266	23 216	17 466	25 466
Economic and environmental services	60 481	59 309	56 737	77 029	72 813	67 644	62 913	127 953	132 562	137 947	202 858	402 159	1 460 405	1 674 829	1 828 305
Planning and development	1 200	2 896	2 660	2 716	3 005	2 900	7 912	5 030	8 200	6 253	7 267	2 351	52 390	55 072	39 842
Road transport	59 161	50 170	53 844	73 941	69 006	64 294	51 881	122 026	123 079	130 401	191 889	386 978	1 376 671	1 607 470	1 765 588
Environmental protection	120	6 243	233	373	803	450	3 120	898	1 283	1 293	3 702	12 830	31 344	12 287	22 875
Trading services	111 008	140 780	149 911	165 663	192 579	184 656	101 679	189 792	300 998	254 041	338 142	526 502	2 655 749	2 488 291	2 826 304
Electricity	80 683	84 380	83 565	96 718	101 698	108 886	56 896	115 071	165 618	110 199	150 305	239 492	1 393 511	1 183 155	1 256 966
Water	11 555	23 643	27 768	22 075	36 326	33 002	17 058	20 455	53 493	41 602	78 516	138 807	504 300	610 236	760 834
Waste water management	7 770	11 257	17 058	22 125	29 100	28 143	18 100	39 456	55 467	65 609	74 540	124 375	493 000	465 895	571 159
Waste management	11 000	21 500	21 520	24 745	25 455	14 625	9 625	14 810	26 420	36 630	34 780	23 828	264 938	229 006	237 345
Other	50	-	-	-	2 549	20	30	-	-	-	-	200	2 849	250	250
Total Capital Expenditure - Standard	267 403	264 377	292 966	342 528	370 936	330 309	228 588	417 142	559 366	528 874	686 528	1 127 666	5 416 684	5 137 705	5 380 129

Table 60 MBRR Table SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Receipts By Source																
Property rates	366 613	470 041	443 698	454 377	429 826	465 395	471 845	428 117	409 069	483 027	449 355	456 731	5 328 095	5 701 034	6 100 711	
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue	844 816	900 559	858 443	806 390	753 586	741 081	776 170	718 329	731 903	749 032	873 195	865 147	9 618 652	10 574 268	11 554 799	
Service charges - water revenue	113 846	122 866	134 142	145 683	168 074	168 074	219 941	201 901	199 975	216 090	181 934	123 050	1 995 576	2 218 337	2 476 742	
Service charges - sanitation revenue	78 384	78 384	80 849	90 709	99 336	87 011	109 196	98 104	98 104	110 429	94 406	68 846	1 093 759	1 215 050	1 355 548	
Service charges - refuse revenue	72 220	75 350	76 535	76 535	75 160	75 160	75 160	75 160	75 160	75 160	75 160	75 272	902 032	967 870	1 060 950	
Service charges - other	19 861	17 950	18 049	19 311	20 403	20 201	21 971	20 940	22 387	19 274	19 445	20 488	240 280	253 736	268 453	
Rental of facilities and equipment	8 997	9 002	9 006	9 226	9 565	9 527	13 794	13 674	13 732	13 888	14 090	12 667	137 165	139 251	141 740	
Interest earned - external investments	23 578	23 578	23 578	23 578	23 578	23 578	24 418	23 578	23 578	23 578	23 578	24 418	284 618	292 445	303 664	
Interest earned - outstanding debtors	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	20 621	247 448	261 305	276 461	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines	15 130	14 146	11 195	15 150	15 150	15 150	15 150	15 150	15 130	15 130	15 130	20 049	181 659	191 832	202 958	
Licences and permits	3 313	3 429	3 313	2 966	2 966	2 968	2 968	2 852	2 852	2 736	2 620	2 621	35 601	37 595	39 775	
Agency services	7 999	11 488	10 166	10 166	10 166	10 166	10 166	10 166	10 166	10 166	10 166	11 012	121 993	128 825	136 297	
Transfer receipts - operational	470 596	80 120	86 926	95 266	106 267	508 531	69 110	81 435	93 004	158 612	156 456	730 979	2 637 300	2 665 755	3 094 734	
Other revenue	179 546	179 168	179 168	179 168	179 178	182 070	182 553	182 384	182 013	181 919	181 908	186 728	2 175 802	2 297 942	2 431 222	
Cash Receipts by Source	2 225 519	2 006 701	1 955 687	1 949 145	1 913 875	2 329 534	2 013 062	1 892 410	1 897 693	2 079 663	2 118 064	2 618 628	24 999 981	26 945 246	29 444 054	
Other Cash Flows by Source																
Transfer receipts - capital	152 632	116 381	130 551	152 956	147 930	147 382	95 826	201 378	218 618	244 162	340 807	572 214	2 520 837	2 417 014	2 417 511	
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	69 000	69 000	90 897	109 343	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	2 015 000	1 300 000	
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	2 378 151	2 123 082	2 086 238	2 102 101	2 061 806	2 476 916	2 108 888	2 093 788	2 116 312	2 323 824	2 458 871	3 259 842	27 589 818	31 468 156	33 270 908	

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City of Cape Town 2013/14 Annual Budget and MTREF

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Payments by Type																
Employee related costs	646 083	644 118	643 095	643 814	952 077	642 797	643 363	639 842	642 092	641 168	641 963	641 006	8 021 419	8 725 439	9 478 529	
Remuneration of councillors	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	10 310	123 721	131 887	140 855	
Finance charges	13 741	-	193 156	-	-	179 044	-	-	188 885	-	-	174 623	749 449	820 102	1 034 896	
Bulk purchases - Electricity	28 695	845 262	849 809	451 375	461 303	436 973	419 969	436 789	429 757	463 294	437 974	1 284 101	6 545 300	7 151 868	7 762 007	
Bulk purchases - Water & Sewer	29 465	29 465	29 465	29 465	29 465	29 465	29 465	29 465	29 465	29 465	29 465	29 465	353 581	393 631	449 988	
Other materials	27 369	28 247	28 891	29 221	29 224	29 428	28 719	29 409	29 803	29 153	29 817	39 291	358 573	386 383	417 002	
Contracted services	169 228	210 311	226 435	241 634	266 606	278 980	233 470	260 722	271 274	295 476	319 339	436 149	3 209 625	3 275 265	3 516 109	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and grants - other	3 064	3 064	3 773	3 064	9 327	3 064	3 064	3 064	3 773	3 064	3 064	3 064	44 448	56 487	55 941	
Other expenditure	289 263	274 957	286 287	271 082	273 553	269 994	295 518	274 705	281 165	286 589	311 631	610 292	3 725 036	4 007 005	4 420 615	
Cash Payments by Type	1 217 218	2 045 734	2 271 221	1 679 964	2 031 867	1 880 056	1 663 877	1 684 305	1 886 524	1 758 520	1 783 563	3 228 302	23 131 151	24 948 068	27 275 942	
Other Cash Flows/Payments by Type																
Capital assets	254 033	251 158	278 318	325 402	352 389	313 794	217 159	396 285	531 397	502 431	652 201	1 282 214	5 356 781	5 080 827	5 324 985	
Repayment of borrowing	29 947	-	89 481	-	-	64 403	-	-	96 281	-	-	64 955	345 066	309 853	285 598	
Other Cash Flows/Payments	-	-	63 269	-	-	63 269	-	-	63 269	-	-	63 269	253 077	275 860	291 556	
Total Cash Payments by Type	1 501 198	2 296 892	2 702 289	2 005 366	2 384 256	2 321 522	1 881 036	2 080 590	2 577 471	2 260 951	2 435 765	4 638 740	29 086 075	30 614 608	33 178 081	
NET INCREASE/(DECREASE) IN CASH HELD	876 954	(173 810)	(616 051)	96 735	(322 450)	155 394	227 851	13 198	(461 160)	62 873	23 107	(1 378 898)	(1 496 257)	853 548	92 827	
Cash/cash equivalents at the month/year begin:	7 539 097	8 416 051	8 242 241	7 626 190	7 722 925	7 400 475	7 555 868	7 783 720	7 796 918	7 335 758	7 398 631	7 421 738	7 539 097	6 042 839	6 896 387	
Cash/cash equivalents at the month/year end:	8 416 051	8 242 241	7 626 190	7 722 925	7 400 475	7 555 868	7 783 720	7 796 918	7 335 758	7 398 631	7 421 738	6 042 839	6 042 839	6 896 387	6 989 215	

2.11 Annual budgets – internal departments

2.11.1 City Health (Vote 1)

The City's Health Directorate is committed to working with all spheres of government to meet National and Provincial targets so that there is a coordinated and integrated District Health Service to the citizens of Cape Town.

The City Health Directorate is responsible for Environmental Health Services and Personal Primary Health Care Services.

The core business of the City Health Directorate is Environmental Health Services or Municipal Health Services. Municipal Health Service is defined in the National Health Act (No 61 of 2003) and includes water quality monitoring; food control; waste management; health surveillance of premises; surveillance of communicable diseases, excluding immunizations; vector control; environmental pollution control; disposal of the dead and chemical safety.

The impact of rapid urbanization places an increased workload on our Environmental Health Practitioners (EHP's). Our current ratio of EHP to population sits at 1:27,000 as opposed to the national norm which proposes a 1EHP:15,000 population ratio.

Air and noise pollution are also Local Government functions in terms of Schedule 4B and 5B of the Constitution. The key Act governing air quality is the National Environmental Management Act: Air Quality Act 39 of 2004. Air pollution levels are frequently high in our informal areas and even inside shacks. The City has adopted an Air Quality Management Plan, which outlines the strategies to be used to deal with air pollution.

The City Health Directorate delivers, in partnership with Provincial Government, the Personal Primary Health Care component, (clinic services), via an infrastructure of 82 clinics, 5 Community Health Centres, 22 satellite clinics and 4 mobile clinics. Services include Women and Child Health Services (preventive and promotive services i.e. Family Planning, immunizations and treating sick children under 13 years); HIV/AIDS/STI and TB control and Substance Abuse. These clinic services are delivered in partnership with the Provincial Health Department Metro District Services (PGWC: MDHS) who run 47 Community Health Centres and 24-hour emergency services at primary level along with 6 District Hospitals.

The City Health Directorate is facing an increasing number of clients accessing the Personal Primary Health Care services due to the increased burden of diseases. This places an additional burden on the existing staff as the staff component has not increased to the same extent.

The City has identified the issue of substance abuse as a problem and that it has a role to play in conjunction with other spheres of government and the community in addressing this. Alcohol abuse is a major problem and methamphetamine (tik) abuse in the Western Cape is a big concern with regard to drug-related crime. Among patients under 20 years, 30% reported methamphetamine as their drug of choice. One in four South African men and one in ten women displayed symptoms of alcohol problems (1998). The City manages 4 Substance Abuse outpatient rehabilitation sites at Tafelsig, Tableview, Delft South and Town 2 clinics.

In conclusion, City Health is faced with an increasing need for health services as shown by the Burden of disease, rapid urbanization and Customer Satisfaction Survey, but the resources available to it have not grown proportionally. The resources relate to staffing (extra staff are needed for those areas with a high BOD to reduce long waiting times at clinics and to move towards the norm of 1EHP:15,000 population ratio), keeping pace with the above parameter increases in pharmaceutical and laboratory costs and certain areas require extra security for staff and patients.

Table 61 City Health Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: City Health									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	49	-	-	-	-	-	-	-
Service charges - other	69	49	113	211	211	211	223	236	249
Rental of facilities and equipment	0	-	8	-	-	-	-	-	-
Interest earned - external investments	1	0	-	-	-	-	-	-	-
Interest earned - outstanding debtors	111	97	93	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	50	64	45	19	19	19	20	21	22
Licences and permits	38	35	39	636	636	636	671	709	750
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	257 458	317 599	353 860	392 424	386 322	386 322	416 357	444 527	426 431
Other revenue	1 171	839	611	3 660	3 660	3 660	2 365	2 497	2 642
Gains on disposal of PPE	164	16	42	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	259 062	318 750	354 810	396 949	390 847	390 847	419 636	447 990	430 094
Operating Expenditure By Type									
Employee related costs	331 600	376 794	428 242	500 201	499 880	499 380	563 466	607 016	659 219
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	6 879	6 796	7 564	8 042	7 199	7 199	7 801	8 347	8 932
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	1 896	2 683	2 829	2 712	2 712	2 712	2 986	3 175	3 382
Contracted services	12 436	9 636	16 844	13 081	18 027	18 027	21 637	23 058	24 623
Transfers and grants	592	4 101	3 494	4 039	4 064	4 564	2 142	4 418	3 299
Other expenditure	181 534	210 189	220 310	242 742	234 782	234 782	241 093	250 617	211 652
Loss on disposal of PPE	-	9	2	-	-	-	-	-	-
Total Operating Expenditure	534 937	610 208	679 284	770 819	766 664	766 664	839 126	896 631	911 108
Operating Surplus/(Deficit)	(275 875)	(291 458)	(324 473)	(373 869)	(375 817)	(375 817)	(419 490)	(448 641)	(481 013)
Transfers recognised - capital	4 618	1 363	9 936	17 672	18 694	18 694	13 500	7 200	15 000
Contributions recognised - capital	1 798	-	-	-	-	-	-	-	-
Contributed assets	-	-	2 004	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(269 459)	(290 095)	(312 534)	(356 197)	(357 122)	(357 122)	(405 990)	(441 441)	(466 013)
Capital Expenditure	25 567	12 355	22 801	27 460	31 899	31 899	23 716	17 466	25 466

2.11.2 City Manager (Vote 2)

The City Manager heads the administration of the City of Cape Town and he chairs the Executive Management Team (EMT) of the City who is primarily responsible for advising the City Manager, strategy and policy.

Contained within the Office of the City Manager are two strategic functionaries that advises the City Manager on policy decisions and ensures compliance.

Table 62 City Manager Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: City Manager									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other revenue	-	4	-	-	-	-	-	-	-
Gains on disposal of PPE	0	2	9	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	0	5	9	-	-	-	-	-	-
Operating Expenditure By Type									
Employee related costs	13 035	13 692	9 701	15 091	5 903	5 903	2 639	3 433	3 728
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	347	341	559	586	501	501	249	483	516
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	15	6	2	9	9	10	9	10	10
Contracted services	390	602	105	10	65	65	69	74	78
Transfers and grants	2 451	219	-	-	-	-	-	-	-
Other expenditure	5 669	10 316	11 741	11 777	11 461	11 460	11 673	12 331	13 047
Loss on disposal of PPE	-	-	2	-	-	-	-	-	-
Total Operating Expenditure	21 907	25 176	22 109	27 474	17 939	17 939	14 640	16 330	17 379
Operating Surplus/(Deficit)	(21 906)	(25 171)	(22 100)	(27 474)	(17 939)	(17 939)	(14 640)	(16 330)	(17 379)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(21 906)	(25 171)	(22 100)	(27 474)	(17 939)	(17 939)	(14 640)	(16 330)	(17 379)
Capital Expenditure	69	655	122	252	224	224	222	222	222

2.11.3 Community Services (Vote 3)

The Community Services Directorate is responsible for the provision of community facilities on an equitable and sustainable basis across the city to support and promote healthy lifestyles and to facilitate programmes and community development in general and to help strengthen the social fibre of households and communities. Often these programmes involve collaboration and partnerships with churches, community organisations, NGOs, the corporate sector, different tiers of government and other stakeholders.

City Parks

The City Parks Department is responsible for greening, conserving and managing Cape Town zoned public spaces, including 11 District Parks, 3 335 Community Parks, 38 Cemeteries, 1 Crematorium, 1862 hectares of road verges, nature sensitive areas and recreational areas alongside rivers and water bodies. Other core functions include the protection of biodiversity, the planting of trees and the implementation of water saving initiatives throughout the City.

To ensure that parks are maintained in an equitable manner across the city, a uniform set of maintenance standards for all maintenance functions have been developed and implemented.

The 3 335 community parks are maintained to a standard that ensures that they are in a condition for communities to utilise at all times. The selected standards focus on mowing, which is set to at least 9 cuts per year and to keep these parks clean by doing litter picking on a weekly basis.

On-going challenges include the level of vandalism and anti-social behaviour at public parks which increases repair costs and have a negative impact on the ability to adhere to the set maintenance standards.

To address the escalating city burial demand resulting from population growth and an earlier death occurrence due to infectious diseases, City Parks has commenced a process to identify, reserve and in due course develop new burial areas to cater for future urban development within the city's urban edge (i.e. 10-15 year scenario). Strong competition for scarce metropolitan land and the poor environmental performance of certain cemeteries given the high winter water-table characteristic of the Cape Flats has prompted the city to pursue several other interment options to supplement or complement traditional in-ground burial and to extend the viable lifespan of existing cemeteries.

Library and Information Services

The 2 City Wide Libraries, 22 Regional Libraries, 76 Community Libraries, 3 Satellite Libraries and 3 Mobile Libraries provide the citizens of Cape Town with access to services and resources required for their information, education, culture and recreational needs and has a membership in excess of 800 000.

Programmes at the Libraries offer a variety of developmental activities ranging from storytelling, school holiday programmes, reading programmes to peer leadership and capacity building programmes.

Three categories of minimum open hour standards are set for libraries:

- City-wide libraries at 63 hours per week
- Regional libraries at 45 hours per week

- Community libraries at 35 hours per week

Properly constituted Friends of the Library Organisations and/or Volunteers assist at 50+ libraries in the City to meet their minimum opening hours through donating funding or in-kind contributions such as assisting with shelving of library materials, etc. and every effort is being made to encourage the establishment of Friends organisations in more libraries.

Being an unfunded mandate the City will continue with efforts in reaching a resolution with Provincial Government on the funding of libraries services to the citizens of Cape Town. Implementation of the new library automated management system make library processes more efficient. With external funding received, one new library is planned and construction should be completed in the 2014/15 financial year, i.e. Regional Library in Kuyasa, Khayelitsha.

Sport Recreation and Amenities

The Sports Recreation and Amenities department provides, manage and maintains a number of community facilities across the City such as:

- 180 Community Centres (including Halls, Recreation Centres, Multi-Purpose Centres, Civic Centres, Youth and Family Centres). These centres are used by a cross section of local communities ranging from NGOs to rate payer associations, youth groups, religious groups and sport and recreation clubs.
- 179 Sports Facilities (Consisting of Indoor Facilities, Outdoor Facilities and Stadia).
- Outdoor sport facilities that contain 524 individual formal sports fields. Over utilisation and extreme weather patterns, especially in winter, create a challenge in the provision of good playing surfaces for both winter and summer sports played on the grass fields.
- 38 Swimming pools
- 28 Beaches
- 14 resorts

The City has managed to institutionalise the relationship with users through the implementation of an institutional framework that has established Municipal Facility Management Committees (MFMCs) to assist the City with the management of these facilities. It has been observed that where MFMCs are fully operational the associated sports fields tend to be used according to their threshold norms and the standards are maintained on a sustainable basis.

A comprehensive set of uniform maintenance standards has been implemented for these facilities. This is a significant step in making a commitment to our communities on what they can expect when they visit or use these facilities.

In order to maintain and increase the maintenance and service standards the department provides, promotes and facilitates recreation programmes through 27 recreation units in communities and at city facilities. Such programmes can make a measurable impact on the social economic challenges facing our communities.

Budget

Excluding all internal charges, Community Services have an operating expenditure budget of R1 390 million for the 2013/14 financial year which includes R832 million (or 59.8%) for staff costs emphasising the labour intensive nature of its operations. By contrast the capital budget amounts to

only R223 million or about 4,1% of the City's capital budget in 2013/14. This capital budget is mainly used to develop and upgrade infrastructure such as multi-purpose centres, community halls, sports fields, swimming pools, cemeteries and parks which enable the departments to render their services to the public.

Community services is almost fully funded from the city's rates and general account since the direct income of R50 million covers only 2% of operating expenditure. This direct income is received via subsidised tariffs for the use of facilities which are provided below cost. The directorate also receives a conditional operating grant of R25.6 million for the library service and capital grants of R153 million to finance its capital investment programme.

Table 63 Community Services Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Community Services									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	10	21	36	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	5	5	5	5	5	5
Service charges - other	13 289	14 267	13 574	16 633	16 633	16 633	17 323	18 293	19 354
Rental of facilities and equipment	18 319	16 698	17 066	20 709	20 709	20 709	27 883	29 277	30 741
Interest earned - external investments	6	3	0	-	-	-	-	-	-
Interest earned - outstanding debtors	38	3	3	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	3 772	2 868	2 994	3 129	3 129	3 129	3 173	3 351	3 546
Licences and permits	1 194	1 297	1 423	412	412	412	1 248	1 318	1 394
Agency services	5	-	-	-	-	-	-	-	-
Transfers recognised - operational	23 319	23 988	19 066	24 912	29 255	29 255	25 667	26 650	29 535
Other revenue	848	2 271	503	483	483	483	591	625	661
Gains on disposal of PPE	485	294	2 147	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	61 284	61 711	56 811	66 283	70 626	70 626	75 889	79 518	85 235
Operating Expenditure By Type									
Employee related costs	573 972	617 172	696 130	784 183	785 746	785 746	831 689	921 984	1 001 342
Remuneration of councillors	(2)	(27)	-	-	-	-	-	-	-
Debt impairment	-	2 577	1 430	-	-	-	-	-	-
Depreciation & asset impairment	61 312	65 508	69 890	72 955	80 492	80 492	87 089	93 185	99 708
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	9 125	14 489	15 882	13 773	13 662	13 369	10 857	11 537	12 285
Contracted services	214 586	210 183	204 777	269 976	307 764	307 856	312 419	338 557	367 578
Transfers and grants	-	(9)	-	-	-	-	-	-	-
Other expenditure	181 406	197 130	224 356	159 786	157 783	157 983	147 832	160 337	166 184
Loss on disposal of PPE	136	40	171	-	-	-	-	-	-
Total Operating Expenditure	1 040 535	1 107 063	1 212 637	1 300 674	1 345 447	1 345 447	1 389 886	1 525 599	1 647 097
Operating Surplus/(Deficit)	(979 251)	(1 045 352)	(1 155 826)	(1 234 390)	(1 274 821)	(1 274 821)	(1 313 996)	(1 446 081)	(1 561 862)
Transfers recognised - capital	54 708	55 156	83 857	140 514	118 880	118 880	150 098	113 105	109 000
Contributions recognised - capital	5 151	4 992	7 224	1 273	2 038	2 038	3 000	7 542	-
Contributed assets	-	-	4 869	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(919 391)	(985 205)	(1 059 876)	(1 092 603)	(1 153 904)	(1 153 904)	(1 160 898)	(1 325 434)	(1 452 862)
Capital Expenditure	138 365	120 115	162 772	198 523	192 140	192 099	223 123	181 434	154 670

2.11.4 Corporate Services (Vote 4)

The Directorate's strategy is to be a multi-disciplinary strategic partner to all Directorates which provides value-adding policies, strategies, processes, systems, interventions, knowledge and expertise.

The core functions and objectives of this Directorate are as follows:

- **Human Resources:** Develops, drives and implements Human Resources strategies, programmes and intervention across the City in order to ensure the alignment of staff to business needs. The strategies, programmes and interventions are delivered through partnerships with internal and *external stakeholders, with the primary internal stakeholders being Employment Equity and line departments*. Provides a centre of transactional excellence across a range of Human Resources functions, including the Employee Interaction Centre, Payroll and Personnel Administration.
- **Information Systems & Technology:** Deploys a three pronged strategy to maximize the use of information Technology (IT) within the City and thereby improve services to citizens. As a strategic partner to business it aims to be a catalyst for the transformation of public services and it will enable the City of Cape Town to become a more efficient and affective local authority.
- **Employment Equity:** Provides strategic direction and develop corporate guidelines for the implementation of the City's EE Policy and EE Plan that form the basis of the City's transformation agenda. This includes programmes for Gender equity, Diversity facilitation, Disability Management and application of Affirmative Action Measures corporate wide.
- **Customer Relations:** Provides an effective and efficient customer relations service to the City's customers to address their requirements in terms of access to municipal service delivery, thereby creating a positive image of the City of Cape Town.
- **Specialised Technical Services:** Provides a professional and specialist function, covering the areas of Facilities management, Fleet Management and Radio Services & Infrastructure which is both technical and administrative, so that available resources are effectively used, business demands are met, operating systems are maintained, assets are managed and employees receive the information and resources necessary to effectively perform their core functions and support service delivery to the community.
- **Strategic Development Information & GIS:** At a corporate level, responsible for ensuring that relevant institutional information and knowledge are managed, retained and shared across the organisation, in order to support decision-making regarding service delivery and the future development of Cape Town. The department also provides information and knowledge management related support services to City departments including spatial data management, map production, aerial photography, information analysis and survey and research support.
- **Occupational Health, Safety and Employee Wellness:** Providing an Employee Wellness programme, which acts as a pivotal partner in promoting and ensuring the emotional and psycho-social wellness of all employees and provides for the development and implementation of programmes and interventions that will ensure that the City of Cape Town complies with all legislation in terms of health and safety in the workplace.
- **Corporate Administration and Support Services:** Provide and co-ordinate efficient and professional Corporate Administrative Services to the organisation and generic Support Services to the Directorate: Corporate Services

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

- Facilities Management Structural Rehabilitation
- Metro Area Fibre Optic Network
- WCG Broadband Connectivity
- Replacement of Fleet
- Aerial Photography for Informal Settlements

The following additional Key Programmes and Projects will be undertaken:

- Culture Climate Survey - Staff Engagement Interventions
- Customer/Community Satisfaction Survey
- Development of a Web-based Knowledge Hub
- Call Centre Programme including 20 Additional Free-call Lines in identified areas
- Records Management Programme including the enabling of Electronic Records Management, as well as a city wide project for the safe-keeping of legal records
- Occupational Health and Safety Management programme
- Matrix Workplace Programme
- Improve energy efficiency of IT Equipment
- Enable Mobile Government
- Enable E-Services
- E-HR Programme
- Internal Management Processes Programme (MAP)
- Service Management Programme (C3)
- Completion of TASK project
- Rollout of Skills Audit to T9 and below employees
- Rollout of integrated Talent Management Programmes
- External Skills Development programme (including external bursaries, learnerships, in-service training and apprenticeships)
- On-going expansion of e-HR applications
- Audit of Council buildings and facilities for accessibility
- Conclude the EEA1 disability survey
- Promote 16 days into 365 days campaign of no violence against women
- Diversity Management programme

Table 64 Corporate Services Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Corporate Services									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	634	368	567	394	394	394	416	439	465
Rental of facilities and equipment	(4 688)	739	745	443	443	443	465	488	513
Interest earned - external investments	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	7 379	1 169	-	-	-	-	-	-	-
Other revenue	24 088	24 478	45 453	24 200	24 200	24 200	25 555	26 986	28 552
Gains on disposal of PPE	3 487	1 675	2 879	1 500	1 500	1 500	1 500	1 584	1 676
Total Operating Revenue (excluding capital transfers and contributions)	30 900	28 430	49 644	26 537	26 537	26 537	27 936	29 498	31 205
Operating Expenditure By Type									
Employee related costs	764 797	877 950	1 046 721	890 526	904 670	903 070	646 079	702 654	763 082
Remuneration of councillors	(4)	-	-	-	-	-	-	-	-
Debt impairment	300	-	-	-	-	-	-	-	-
Depreciation & asset impairment	111 603	137 924	140 218	149 620	160 884	160 884	231 588	247 799	265 145
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	1 302	16 414	14 589	86 878	22 484	22 484	24 544	26 597	28 876
Contracted services	218 896	212 732	261 365	199 325	268 194	269 706	285 351	308 696	331 828
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	266 419	311 629	332 411	360 571	362 089	362 177	389 509	410 347	433 098
Loss on disposal of PPE	1 189	717	205	-	-	-	-	-	-
Total Operating Expenditure	1 364 501	1 557 366	1 795 509	1 686 921	1 718 322	1 718 322	1 577 070	1 696 093	1 822 029
Operating Surplus/(Deficit)	(1 333 601)	(1 528 936)	(1 745 864)	(1 660 384)	(1 691 785)	(1 691 785)	(1 549 134)	(1 666 595)	(1 790 824)
Transfers recognised - capital	11 562	136	8	-	9	9	10 000	10 702	11 332
Contributions recognised - capital	3 407	1 312	-	5 000	1 300	1 300	5 000	5 000	5 000
Contributed assets	-	-	69 089	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(1 318 632)	(1 527 489)	(1 676 768)	(1 655 384)	(1 690 475)	(1 690 475)	(1 534 134)	(1 650 893)	(1 774 492)
Capital Expenditure	214 308	142 581	204 091	250 029	237 997	234 772	263 892	218 263	243 893

2.11.5 Deputy City Manager (Vote 5)

The Deputy City Manager's Directorate is currently responsible for a number of major corporate business processes such as the Integrated Development Plan and ensuring effective implementation of the City's Capital Programme and the Expanded Public Works Programme.

The Deputy City Manager has line responsibility for Chief of Staff, Strategic Policy Unit, Executive Support, Legal Services, Governance and Interface, Integrated Strategic Communication and Branding, Integrated Development Plan, Expanded Public Works Programme and the probity functions of Internal Audit, Forensic Services, Integrated Risk Management and the Ombudsmans Office.

A restructuring of the Deputy City Manager's office is currently under consideration to allow a more direct role in ensuring effective integration of service delivery and the implementation of large corporate projects. The Deputy City Manager deputizes for the City Manager when the City Manager is out of office.

Table 65 Deputy City Manager Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Deputy City Manager									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	7	4	20	4	4	4	5	5	5
Rental of facilities and equipment	(7)	741	116	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	13	(1)	1	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	4 369	37	160	20 205	3 734	3 734	32 080	-	-
Other revenue	2 106	4 650	682	2 841	2 841	2 841	3 000	3 168	3 352
Gains on disposal of PPE	109	15	37	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	6 597	5 447	1 017	23 050	6 579	6 579	35 084	3 173	3 357
Operating Expenditure By Type									
Employee related costs	175 864	189 717	220 457	291 162	267 085	263 339	333 319	363 547	394 812
Remuneration of councillors	84 466	88 648	97 772	122 384	112 904	112 904	123 721	131 887	140 855
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	6 620	6 305	8 038	8 217	7 729	7 729	7 496	8 020	8 582
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	224	217	182	507	509	500	525	558	594
Contracted services	14 194	10 122	34 592	45 447	54 770	53 644	91 435	62 705	66 371
Transfers and grants	6 873	5 282	5 811	-	3 118	3 118	336	2 208	2 336
Other expenditure	61 564	54 383	64 754	180 262	164 834	169 714	164 214	171 594	181 553
Loss on disposal of PPE	15	187	26	-	-	-	-	-	-
Total Operating Expenditure	349 819	354 861	431 632	647 979	610 948	610 948	721 045	740 519	795 103
Operating Surplus/(Deficit)	(343 222)	(349 414)	(430 615)	(624 929)	(604 369)	(604 369)	(685 961)	(737 347)	(791 746)
Transfers recognised - capital	1 592	14 267	9 357	11 500	21 771	21 771	11 000	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(341 630)	(335 147)	(421 258)	(613 429)	(582 598)	(582 598)	(674 961)	(737 347)	(791 746)
Capital Expenditure	6 480	24 055	14 641	26 948	31 438	31 437	49 390	41 417	37 317

2.11.6 Economic, Environment & Spatial Planning (Vote 6)

The overall purpose and service mandate of the Economic, Environment and Spatial Planning Directorate takes cognisance of the developmental duties of municipalities as derived from Section 152 and 153 of the Constitution which requires local government in its planning processes “to give priority to the basic needs of the community, and to promote the social and economic development of the community; and (b) participate in national and provincial development programmes.

The Directorate operates within various institutional frameworks and the core functions of the Directorate are regulated by and controlled (but not limited) by the statutes and legislation.

The directorate is made up of the following departments:

- Economic Development
- Spatial Planning and Urban design
- Planning and Building development Management
- Environment and Resource Management
- Development Facilitation Unit

The Directorate’s Draft Capital Programme for 2013/14 amounts to R66.5 million and the Draft Operating Budget (controllable expenditure) amounts to R495 million.

The Directorate’s Strategic and Operational Service Delivery Objectives are (subject to change):

Strategic

- To lead and be dynamic in shaping the City’s short and longer term future growth and development path through the City Development Strategy, and Spatial Development plans in a space that realises the requirements of the South African Constitution, Municipal Systems Act and the Integrated Development Plan in order to ensure improved quality of life.
- To mainstream the City’s Economic Development Strategy and ensure alignment with the plans of both internal, and external economic development agents and partners.
- To develop a Green Economic Policy and Framework to ensure that the City optimises economic growth and job creation.
- To ensure that the City’s unique economic and social asset - its natural environment - is protected, integrated into the urban landscape, and optimised for maximum social and economic benefit.
- To improve both the quality and affordability of life.

Operational

- To provide a service to the developers and property owners of Cape Town which is efficient and effective and continues to reduce the turnaround time of the approval processes for both land use management applications and building development on an administrative fair basis.
- To improve the enforcement aspects of the City’s building development and land use regulation functions. To drive coordinated and integrated environmental enforcement across the City.
- To lead the planning law reform processes by implementing and continuously reviewing the new Cape Town Zoning Scheme as well as the drafting of the planning by-law.
- To improve the City’s environmental compliance with relevant environmental legislation by using best practices environmental technologies and processes.

- To formulate a City wide climate change response that addresses issues of climate change mitigation, climate adaptation and resilience, and energy efficiency through the implementation of the Energy and Climate Action Plan (ECAP), Climate Adaptation Plan of Action (CAPA) and the development of a City Climate Change Policy.
- To create an environment conducive to grow business in the informal economy.

Table 66 Economic, Environment & Spatial Planning Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Economic, Environment & Spatial Planning									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	1	0	-	-	-	-	-	-
Service charges - other	59 119	67 135	72 265	75 929	79 929	79 929	84 534	89 268	94 446
Rental of facilities and equipment	19	21	23	451	451	451	28	29	31
Interest earned - external investments	7	7	2	-	-	-	-	-	-
Interest earned - outstanding debtors	1 365	176	116	83	83	83	83	88	93
Dividends received	-	-	-	-	-	-	-	-	-
Fines	488	731	1 148	1 193	1 193	1 193	1 269	1 340	1 418
Licences and permits	880	269	1 067	1 122	1 122	1 122	1 092	1 153	1 220
Agency services	(2)	-	-	-	-	-	-	-	-
Transfers recognised - operational	12 906	14 772	4 123	7 768	17 395	17 395	2 345	433	400
Other revenue	485	940	1 374	710	710	710	750	792	838
Gains on disposal of PPE	107	20	85	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	75 373	84 071	80 205	87 256	100 883	100 883	90 101	93 104	98 445
Operating Expenditure By Type									
Employee related costs	251 822	273 429	295 485	330 566	337 637	332 637	368 226	397 623	431 820
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	16 827	17 805	18 821	20 385	16 652	16 652	19 492	20 856	22 316
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	582	2 679	1 152	688	703	703	684	722	764
Contracted services	17 034	23 853	30 346	27 966	67 555	73 655	45 999	46 866	49 648
Transfers and grants	27 167	29 122	39 254	34 673	27 173	26 973	31 504	33 273	35 202
Other expenditure	55 079	48 269	40 755	31 555	35 703	34 803	29 121	30 963	32 778
Loss on disposal of PPE	74	66	9	-	-	-	-	-	-
Total Operating Expenditure	368 586	395 223	425 822	445 834	485 424	485 424	495 026	530 303	572 528
Operating Surplus/(Deficit)	(293 212)	(311 153)	(345 617)	(358 578)	(384 541)	(384 541)	(404 925)	(437 199)	(474 083)
Transfers recognised - capital	6 126	3 160	132	1 000	5 970	5 970	9 820	14 982	19 600
Contributions recognised - capital	-	14	22	-	-	-	-	-	-
Contributed assets	-	-	166	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(287 086)	(307 979)	(345 296)	(357 578)	(378 571)	(378 571)	(395 105)	(422 217)	(454 483)
Capital Expenditure	53 476	36 429	36 727	52 457	43 667	43 614	66 507	58 209	62 527

2.11.7 Finance (Vote 7)

The Finance Directorate provides sound financial services, which are sustained via corporate governance procedures, enabling the City of Cape Town to provide effective, efficient and affordable services to its citizens, in compliance with the Municipal Finance Management Act, and other related legislation, policies and procedures.

The top management structure consists of the Chief Finance Officer and 10 Directors (Budgets, Expenditure, Housing Finance and Leases, Property Management' Management, Inter-Services Liaison, Revenue, Shareholding Management, Supply Chain Management, Treasury and Valuations).

Provision has been made for capital expenditure for the Finance Directorate, and the majority of funds are for the replacement of furniture, equipment, computers and E-Procurement amounting to R10 940 655 for 2013/14, and R7 171 535 for 2014/15.

The various Departments in the Finance Directorate are responsible, for *inter alia*:

- Maintaining accurate and complete financial records to enhance decision-making, thereby sustaining confidence in these records of the City
- The compilation and implementation of affordable, balanced operating and capital budgets aligned to the Integrated Development Plan of the City
- Managing the City's banking, investments, borrowings, and cash flow in the most effective, economical and efficient manner
- Managing the immovable assets of the City' and ensuring that land is used to the greatest benefit of the City's strategic objectives.
- Billing and collecting monies and funds due to the City
- Monitoring and controlling all expenditure, in order to embed sound financial discipline and ensuring accountability for the use of public funds
- Fair property valuations in order to equitably levy rates on all properties for the provision of non-tariff funded services
- Implementation of sound supply chain management policies and procedures
- The expansion of external funding provisions and allocations for the upgrade and development of informal settlements and housing areas
- Development and reviewing of financial and finance-related policies
- Ensuring compliance to relevant legislation, and the implementation and maintenance of good governance
- Modelling the impact of the Total Municipal Account on residents to ensure a fair distribution of the burden.

Table 67 Finance Services Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Finance									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	10	2	6	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	3	16	19	-	-	-	-	-	-
Service charges - other	7 640	7 910	85 264	8 430	10 276	10 276	10 852	11 459	12 124
Rental of facilities and equipment	76 475	55 567	83 885	71 514	95 756	95 756	100 544	105 571	110 850
Interest earned - external investments	267 264	270 446	315 210	227 482	227 482	227 482	269 849	276 849	287 164
Interest earned - outstanding debtors	613	1 015	1 288	594	1 895	1 895	391	413	437
Dividends received	-	-	-	-	-	-	-	-	-
Fines	30	(0)	-	0	-	-	-	-	-
Licences and permits	7	3	2	-	-	-	-	-	-
Agency services	101 217	105 317	111 266	105 000	105 000	105 000	111 000	117 216	124 015
Transfers recognised - operational	934	989	3 508	5 129	6 232	6 232	4 629	1 250	1 250
Other revenue	102 373	101 322	149 916	123 303	123 445	123 445	131 802	139 182	147 255
Gains on disposal of PPE	29 633	6 579	28 929	61 000	61 000	61 000	61 000	82 449	100 405
Total Operating Revenue (excluding capital transfers and contributions)	586 197	549 166	779 293	602 451	631 086	631 086	690 066	734 389	783 499
Operating Expenditure By Type									
Employee related costs	397 563	435 404	479 703	550 059	544 462	544 462	594 164	634 261	688 808
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	27 284	9 759	(13 488)	12 026	12 026	12 026	12 249	12 935	13 685
Depreciation & asset impairment	18 707	15 705	15 012	14 172	11 759	11 759	14 275	15 275	16 344
Finance charges	599 797	683 871	646 184	768 508	716 279	716 279	831 894	926 664	1 133 279
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	174	572	504	1 583	1 545	1 545	1 474	1 587	1 712
Contracted services	15 916	13 711	18 109	15 595	22 153	23 453	22 953	24 517	26 242
Transfers and grants	6 866	5 401	5 580	5 931	5 931	5 931	6 263	6 614	6 998
Other expenditure	284 197	286 725	314 122	355 852	362 442	361 143	372 783	390 997	414 557
Loss on disposal of PPE	125	177	23	-	-	-	-	-	-
Total Operating Expenditure	1 350 627	1 451 326	1 465 749	1 723 728	1 676 599	1 676 599	1 856 055	2 012 850	2 301 625
Operating Surplus/(Deficit)	(764 430)	(902 160)	(686 456)	(1 121 277)	(1 045 513)	(1 045 513)	(1 165 990)	(1 278 461)	(1 518 126)
Transfers recognised - capital	1 044	2 506	105	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(763 387)	(899 654)	(686 351)	(1 121 277)	(1 045 513)	(1 045 513)	(1 165 990)	(1 278 461)	(1 518 126)
Capital Expenditure	16 690	13 889	119 902	48 975	52 205	52 199	10 941	7 172	3 781

2.11.8 Human Settlements (Vote 8)

The 2012/13 to 2014/15 Operating and Capital budgets of the Human Settlements Directorate are indicative of the comprehensive array of programmes and projects managed and operated by the City's Human Settlements Directorate whilst noting the key imperative of informal and backyard settlements upgrades and delivery integration to ensure that the City becomes a caring, an opportunity and inclusive city.

These programmes include;

- Upgrade of Informal Settlements via the Urbanisation Framework implementation programme ;
- Provision of services to Backyarder units at City rental stock;
- Development of Serviced Sites to promote incremental housing development ;
- Development of New Human Settlements Projects;
- Facilitation of Social Housing Developments;
- Major upgrade of City owned Rental Units and Hostels;
- Development of New City Rental Units (including Hostels Redevelopment);
- Management of City Human Settlements Assets (including rental, hostel and selling scheme properties);
- Acquisition of Human Settlements Land;
- Funding of Infrastructure in support of future City Human Settlements projects *et al.*
- Areas Based Urban Renewal and Retrofitting by facilitating development of community amenities

The provision of services within the backyards of the City of Cape Town rental properties in Factreton, Langa and Hanover Park forms a key strategic pilot project for the Directorate and was initiated during the 2011/12 financial year (Factreton completed) following the launch by the Executive Mayor. The further roll-out of this ground breaking project, which includes the provision of additional refuse collection, electrical, wash and bathroom facilities, will be expanded to other City rental areas across the City. The roll out would be demand driven by the backyarders and areas with infrastructure capacity would be prioritized for the installation of services.

With respect to informal settlements upgrade the City has identified key Informal settlements in situ upgrade projects across the City. Consultants are already appointed to conduct participatory planning, designing and implementation these projects.

Further aligned to the City's informal settlements and urbanization linked initiatives, Council (December 2012) approved the first stage of the City's Hostels Transformation Programme. This programme is aimed at the comprehensive transformation of all of the City's hostels (including those hostels, where applicable, previously owned by the private sector but now abandoned). The first phase of this initiative will start during the 2012/13 financial year in Langa and comprises the development of 463 new family flats to replace the current hostel and surrounding informal area linked to the hostels.

Through ensuring that the lower/middle income sector of the market is supported whilst creating a pipeline for people as their economic circumstances improve, the City Human Settlements Directorate is promoting engagements with the private sector via its City of Cape Town/Banks

Agreement (for the development of well-located GAP/Affordable Housing); City/Small Developers Programme (for the development, by small developers, of individual GAP/Affordable sites) both of which are further supported by integrated housing projects where the City partners/contracts with the private sector for the development of integrated communities. In this regard specific reference may be had to the City's Pelican Park and Scottsdene Developments where, in conjunction with the private sector, the City Human Settlements Directorate is currently developing large scale integrated, environmentally and financially sustainable developments comprising lower income housing, gap market housing, up-market housing coupled with commercial and community facility opportunities. Other similar developments are also in the planning stage.

The development of affordable, well located housing opportunities is a key part of the Directorate strategy and, as a consequence, the Directorate has expanded its programmes associated with the development and funding of Social Housing Projects whilst further expanding its relationships with its housing partners whilst also continually engaging with potential new social housing partners. In this regard we are working closely with SHRA and we are planning to make use of their Data Base of accredited Social Housing Institutions to expand of partners.

A further major City project reflected in the budget (estimated total value R1 200 million) is the Upgrade of Rental Stock project where some 7 775 of the City's 43 821 rental units are undergoing, until 2015, a major upgrade and facelift thereby ensuring both asset value retention as well as enhancing the living environment of the tenants. This project is funded by State housing and related grants.

The key to future development is the availability and, where required, the acquisition of appropriate land for all formats of housing delivery. In this regard the multi-year budget clearly reflects the City's provision, from various funding sources, for land acquisition whilst noting that the final outcome is a function of the land that becomes available coupled with the funding available for land purchases. The City is also engaging with the Housing Development Agency in this regard. An implementation Protocol Agreement would be signed by the two partners shortly.

The Urban Settlements Development Grant (City allocation 2013/14 R1 193, 497million) is a key City human settlements funding source and provides for the State funding of, inter alia, bulk infrastructure, housing development projects (services), land acquisition and community facilities all with the targeted view to upgrading the informal settlements across the City in an affordable manner whilst noting that this intervention cannot only rely on State funding for delivery but requires both private sector and City intervention. The budget further reflects the grant funding received via the Human Settlements Development Grant used for the top structures associated with subsidy (household income <R3500 per month) housing (City allocation 2013/14 R733,484 million).

From the revenue management perspective, the City Human Settlements and Finance Directorates have engaged in a number of additional initiatives aimed specifically at recovering, particularly, monthly rental and selling scheme charges. These initiatives include;

- the Door to Door Collections Campaign (This campaign, recently expanded across the City of Cape Town both supports the recovery of housing charges whilst further supporting the Expanded Public Works Programme via the use of community workers for the collection of housing monies);
- SMS communication technology;
- Consistent Payers Incentive Scheme;

- Enhanced Debt Collections Project (includes systems enhancements and expanded debt collections actions).
- Modernization of housing estate offices and recruitment of additional staff
- Rental audit complemented and now to be implemented.

Whilst the City is engaged in ensuring collections, the budget clearly reflects the City's awareness of the economic climate negatively impacting our communities and, in this regard, the Housing Indigent Grant has experienced an increase in the volume of applications for the grant.

Overall the City Human Settlements Directorate budgets are reflective of the array of housing initiatives currently underway whilst also ensuring the maximization of all financial opportunities in pursuit of its 5 Year Human Settlements Plan. The Directorate has also realigned and rationalised its organizational structure to strengthen delivery capacity. As soon as Mayco approves the structure there would be aggressive drive fill new positions through internal placements and external recruitment.

Table 68 Human Settlements Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Human Settlements									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	10 650	10 181	9 869	10 606	10 606	10 606	10 724	11 324	11 981
Rental of facilities and equipment	150 815	162 646	171 784	180 272	180 272	180 272	190 776	199 550	208 709
Interest earned - external investments	26 171	21 150	18 044	16 940	16 940	16 940	14 760	15 587	16 491
Interest earned - outstanding debtors	525	238	113	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	6	0	-	-	-	-	-	-
Licences and permits	-	4	1	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	204 179	170 316	212 810	296 901	399 622	399 622	587 728	651 192	946 558
Other revenue	6 800	7 594	8 923	5 694	5 694	5 694	5 812	6 137	6 493
Gains on disposal of PPE	37 790	6 753	1 556	2 000	2 000	2 000	2 000	2 112	2 234
Total Operating Revenue (excluding capital transfers and contributions)	436 930	378 888	423 099	512 414	615 134	615 134	811 800	885 902	1 192 467
Operating Expenditure By Type									
Employee related costs	174 335	191 073	209 938	279 738	270 684	270 684	293 129	317 299	344 586
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	140 979	84 679	92 163	117 656	117 656	117 656	119 820	126 530	133 868
Depreciation & asset impairment	84 908	40 624	53 476	56 265	64 212	64 212	73 670	78 548	83 794
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	0	-	-	-	-	-	-
Other materials	659	18 759	15 030	14 892	14 889	14 889	15 679	16 579	17 578
Contracted services	100 413	134 622	125 882	163 560	200 506	200 506	265 954	313 035	366 045
Transfers and grants	-	3 392	-	-	-	-	-	-	-
Other expenditure	193 627	125 121	222 808	226 051	298 415	298 415	419 925	457 997	707 984
Loss on disposal of PPE	489	1 145	630	-	-	-	-	-	-
Total Operating Expenditure	695 410	599 417	719 928	858 162	966 362	966 362	1 188 177	1 309 987	1 653 855
Operating Surplus/(Deficit)	(258 480)	(220 529)	(296 829)	(345 748)	(351 228)	(351 228)	(376 377)	(424 085)	(461 389)
Transfers recognised - capital	187 890	274 061	464 118	518 877	587 748	587 748	507 498	320 742	73 275
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(70 589)	53 532	167 289	173 128	236 520	236 520	131 121	(103 342)	(388 114)
Capital Expenditure	229 711	323 437	490 725	603 872	647 212	637 769	617 419	393 916	122 833

2.11.9 Safety & Security (Vote 10)

The Directorate consist of six departments namely, Law Enforcement and Specialised Services, Traffic Services, the Metropolitan Department, Fire and Rescue, Disaster Risk Management as well as the 107 Public Emergency Communication Centre. The Directorate is committed to ensure a safe and secure environment for all its residents, by combating crime and disorder, reduce vehicle speed and accidents on our roads, improve response time to emergency fire calls and reduce disasters risks.

To achieve this, the Directorate has identified core objectives and programmes for 2013/14 and beyond:

- Expand staff and capital resources in the policing departments and emergency services, to ensure improved services to all communities. This will be done by increasing the operating staff compliment through the volunteer/auxiliary member and externally funded initiatives, as well as far as by ensuring that departments are adequately resources to fulfil their operational mandates.
- Enhance information-driven policing and improved functional specialisation. Improved efficiency through information and technology-driven policing will be achieved by implementation of the Directorate's SmartCop system and the introduction of Advanced Patrol Vehicle Technology. Intelligent crime prevention will be achieved by expanding the Neighbourhood safety officer (NSO) programme, Crime prevention through urban design (CPTED) to reduce crime and disorder and Information-led Special Operations.
- Improved efficiency through human resource development will see the Directorate continue its efforts to build relationships with international partners and the expansion of training college capacity.
- Improved safety and security through partnerships. Community capacity to prevent crime and disorder will be achieved by extending the Neighbourhood Watch support programme, successful implementation of the School Resource Officer programme and by maintaining the efficient Civilian Oversight Committee. Strengthening Community Capacity to respond to Emergency situations will be achieved by the introduction of Fire Wardens, Emergency Coordinators and various Disaster Risk Public Awareness programmes.

Significant capital projects to be undertaken over the medium term includes, among others:

- Building Upgrading and improvements,
- Additional and replacement of radios and equipment,
- Installation of CCTV Cameras,
- SmartCop,
- Replacement and additional vehicles, and
- Replacement of Fire fighting equipment.

Table 69 Safety and Security Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Safety & Security									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	1	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	(9)	-	-	166	166	166	175	185	196
Service charges - other	15 914	15 464	22 489	9 197	9 197	9 197	9 712	10 256	10 851
Rental of facilities and equipment	152	177	457	184	184	184	193	202	213
Interest earned - external investments	40	27	12	10	10	10	5	6	6
Interest earned - outstanding debtors	1 053	974	975	500	500	500	501	529	559
Dividends received	-	-	-	-	-	-	-	-	-
Fines	150 157	162 754	140 146	156 550	168 450	168 450	177 073	186 989	197 834
Licences and permits	30 837	35 196	37 409	29 758	29 758	29 758	31 425	33 184	35 109
Agency services	9 878	10 671	12 384	10 993	10 993	10 993	10 993	11 609	12 282
Transfers recognised - operational	2 825	3 519	5 624	6 724	14 693	14 693	4 386	3 941	4 197
Other revenue	1 375	1 210	1 399	48	48	48	51	54	57
Gains on disposal of PPE	362	67	127	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	212 585	230 059	221 022	214 130	233 998	233 998	234 513	246 954	261 303
Operating Expenditure By Type									
Employee related costs	827 269	912 975	1 028 761	1 163 246	1 172 980	1 172 980	1 254 457	1 356 399	1 471 029
Remuneration of councillors	(2)	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	40 015	35 766	35 599	37 128	36 847	36 847	42 736	45 727	48 928
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	4 017	2 936	2 542	4 796	4 928	4 870	4 684	5 012	5 375
Contracted services	26 810	17 807	20 580	20 239	23 913	23 858	33 137	35 610	38 347
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	186 811	144 234	153 770	158 685	160 829	160 942	169 292	178 233	188 771
Loss on disposal of PPE	112	99	44	-	-	-	-	-	-
Total Operating Expenditure	1 085 031	1 113 817	1 241 298	1 384 094	1 399 497	1 399 497	1 504 305	1 620 982	1 752 450
Operating Surplus/(Deficit)									
Transfers recognised - capital	8 972	580	2 869	-	3 983	3 983	-	-	-
Contributions recognised - capital	2 586	-	-	1 000	1 000	1 000	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(860 888)	(883 178)	(1 017 407)	(1 168 963)	(1 160 516)	(1 160 516)	(1 269 791)	(1 374 029)	(1 491 147)
Capital Expenditure	58 554	27 377	67 079	52 433	58 703	58 693	40 927	33 127	35 127

2.11.10 Social and Early Childhood Development (Vote 11)

It is common cause that many families in South Africa, and specifically in the jurisdiction area of the City of Cape Town, are in crisis and are faced with a number of challenges which impact negatively on their ability to sustain themselves. Factors that continue to negatively influence the social cohesion within families in Cape Town include poverty, unemployment, alcohol and drug abuse, HIV/AIDS, TB, gangsterism, increasing cost of living, materialism and lack of financial means to access socio-economic services (e.g. social welfare, municipal and housing). Needless to say that the extent of the social decay and the subsequent demand for social welfare services in Cape Town outweigh the supply of such services, which makes it imperative that the services that are indeed rendered, conform to acceptable efficiency and value for money standards, produce measurable outputs and have positive impact on social cohesion.

Against the above-mentioned background, the Directorate: Social Development and Early Childhood Development (SDECDs), in accordance with its statutory duty determined in Section 4(2) (j) of the Local Government: Municipal Systems Act, 32 of 2000, contributes with other organs of state and private sector partners incrementally (within the constraints of its financial means) provide social services to those who need it. In giving effect to its mandate, the SDECDs furthermore concluded a Protocol Agreement with the Western Cape Provincial Department of Social Services (SOCDEV), which enables the SDECDs to collaborate on a number of its programmes with the SOCDEV.

Whilst SOCDEV has statutory responsibilities that mainly focus on curative, SDECDs mainly focuses on preventative social services.

The basket of services rendered by the SDECDs includes:

- the development and management of ECD facilities,
- assessment and referral services for street people,
- awareness and prevention initiatives to curb substance abuse,
- accessing employment opportunities through the Expanded Public Works Programme for unemployed,
- providing food through soup kitchens in exceptional circumstances, and
- curbing gender violence through awareness programmes and by offering life and employment skills through training initiatives.

All the afore-mentioned programmes are aimed at strengthening social cohesion by creating awareness and resilience within vulnerable communities in Cape Town.

All the social services provided by the SDECDs are aligned with Strategic Focus Area 3 in the Integrated Development Plan of the City, i.e. the Caring City. The SDECDs' programmes are more specifically aligned to IDP objective 3.1, i.e. to provide access to social services for those who need it.

Table 70 Social and Early Childhood Development Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Social and Early Childhood Development									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	37	11	8	288	8	8	304	321	340
Rental of facilities and equipment	103	87	86	90	90	90	94	99	104
Interest earned - external investments	3	2	1	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	73	1	1	2	2	2	3	3	3
Licences and permits	-	1	2	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	148	-	-	-	-	-	-	-	-
Other revenue	1	1	1	0	0	0	0	0	0
Gains on disposal of PPE	19	1	11	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	384	103	109	380	100	100	401	423	447
Operating Expenditure By Type									
Employee related costs	16 905	17 434	21 019	32 346	34 446	34 446	38 723	43 656	47 410
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	1 824	1 622	1 360	1 303	1 740	1 740	2 106	2 253	2 411
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	53	53	229	384	484	484	408	434	463
Contracted services	1 935	1 288	12 597	11 616	25 384	25 384	22 086	23 341	24 714
Transfers and grants	-	1 330	2 270	-	-	-	-	-	-
Other expenditure	5 819	5 512	8 527	12 589	17 160	17 160	13 307	14 095	14 959
Loss on disposal of PPE	0	2	3	-	-	-	-	-	-
Total Operating Expenditure	26 536	27 240	46 006	58 238	79 214	79 214	76 631	83 779	89 957
Operating Surplus/(Deficit)	(26 151)	(27 137)	(45 896)	(57 858)	(79 113)	(79 113)	(76 230)	(83 356)	(89 510)
Transfers recognised - capital	-	-	2 069	-	922	922	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(26 151)	(27 137)	(43 827)	(57 858)	(78 192)	(78 192)	(76 230)	(83 356)	(89 510)
Capital Expenditure	6 360	6 909	9 446	11 658	9 590	9 390	8 260	13 010	11 010

2.11.11 Tourism, Events and Marketing (Vote 12)

TEaM Cape Town will market and develop its tourism, events, arts and culture and visitor offering through the use of its strategic assets and internal and external partnerships to deliver economic growth, development and an open opportunity city inclusive of all its citizens (residents).

Directorate Strategic Objective

The directorate's primary strategic objective is to stimulate economic growth, development and attract investment through events, tourism, arts and culture and marketing actions by;

- Increasing visitor numbers, additional iconic events, innovative and creative arts and culture activities,
- maximising operational budgets,
- creating and facilitating partnerships and joint ventures,
- planning, decision-making & coordinated action between role-players (spheres of government, state owned enterprises, promotion and marketing agencies, the private sector and communities)
- facilitating and promoting sector transformation

Tourism's Strategic Objective:

To maximise the economic spin-offs and jobs created from the tourism sector by positioning Cape Town as world-class and South Africa's premier tourism destination.

Events Strategic Objective:

To establish Cape Town through improved strategic management, logistical coordination and support as the top events destination locally and regionally, and as one of the premier events destinations globally, with increased numbers of events held annually resulting in benefits to residents, the hospitality industry and the local economy at large

Marketing Strategic Objective:

To promote Cape Town as a premier travel, events, cultural, trade and investment destination in order to drive economic growth, development in the city's key sectors

Strategic Assets Strategic Objective:

To ensure the financial sustainability of key City assets and the utilisation of these assets in promoting Cape Town as a premier events destination

Arts & Culture Strategic Objective:

To market and develop the arts & culture in a manner that celebrates the city's rich diversity to contribute to economic growth, development and an open opportunity city inclusive of all its citizens (residents)

Integration and Support Strategic Objective:

To provide the directorate with the necessary Finance, Human Resource and general administrative support in a manner that drives compliance without hampering service delivery and the fulfilment of the primary tasks of the directorate

Monitoring, Evaluation, Research and Information Management Strategic objective:

To provide the directorate with research support, information management, source data and technical support to help improve the quality of data in the sector and to objectively assess the performance of the five primary sectors independently on an agreed basis.

Table 71 Tourism, Events and Marketing Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Tourism, Events and Marketing									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	3 643	52 617	2 504	5 060	5 060	5 060	4 379	4 624	4 892
Rental of facilities and equipment	1 474	13 259	13 244	4 795	4 795	4 795	15 764	16 552	17 380
Interest earned - external investments	-	0	-	-	-	-	-	-	-
Interest earned - outstanding debtors	200	0	0	-	-	-	0	0	0
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	1	1	-	-	-	100	106	112
Licences and permits	30	21	15	103	103	103	15	15	16
Agency services	-	4	-	-	-	-	-	-	-
Transfers recognised - operational	61 392	33 785	1 980	4 000	4 000	4 000	62 000	2 000	1 000
Other revenue	340	1 493	1 489	10 147	10 147	10 147	123	130	137
Gains on disposal of PPE	3	4	16	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	67 082	101 184	19 249	24 104	24 104	24 104	82 380	23 427	23 537
Operating Expenditure By Type									
Employee related costs	43 000	38 509	41 364	68 224	70 231	70 231	84 032	90 492	98 274
Remuneration of councillors	(4)	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	111 411	203 303	176 662	187 864	189 124	189 124	193 555	206 887	221 369
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	589	785	584	994	617	329	1 046	1 105	1 170
Contracted services	70 722	103 223	27 303	91 731	58 271	55 668	169 700	116 858	125 730
Transfers and grants	45 940	44 157	47 083	5 557	50 057	56 555	4 202	9 975	8 105
Other expenditure	173 736	39 409	41 584	60 094	67 003	63 395	70 048	68 454	72 441
Loss on disposal of PPE	0	3	1	-	-	-	-	-	-
Total Operating Expenditure	445 394	429 389	334 581	414 464	435 303	435 303	522 583	493 771	527 089
Operating Surplus/(Deficit)	(378 312)	(328 205)	(315 332)	(390 360)	(411 199)	(411 199)	(440 202)	(470 344)	(503 552)
Transfers recognised - capital	512 325	58 323	3 568	3 549	7 617	7 617	5 549	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	134 012	(269 883)	(311 764)	(386 810)	(403 582)	(403 582)	(434 653)	(470 344)	(503 552)
Capital Expenditure	764 103	103 372	62 875	77 050	102 455	100 954	26 161	25 250	30 250

2.11.12 Transport, Roads and Stormwater (Vote 13)

The directorate consists of four operating departments, viz. Transport, Roads & Stormwater, Integrated Rapid Transit (IRT) Implementation and IRT Operations as well as a Strategic Support component. With the establishment of the City's transport authority, Transport for Cape Town (TCT), in October 2012, the directorate is in the process of restructuring to ensure that TCT comes into effect and that the functions, both new and existing, of the TR&S Directorate are structured to achieve the outcomes of a sustainable, integrated and intermodal network as well as what happens on this network.

Focus areas of the directorate are:

- Strategic transportation planning, contract performance and network management across the City.
- The rollout of integrated intermodal transportation across the City under the auspices of TCT, including the MyCiti, Public Transport Interchanges, Transport Information Centre, Transport Management Centre and other related facilities and services.
- Strategic planned management of the City's road and storm-water network and upgrading of the network in disadvantaged areas to facilitate the improvement of the quality of life of all communities.
- Compliance with Occupational Health and Safety legislation in the internal and external Transport, Roads and Stormwater environments for both capital and operating projects.
- Conservation of natural resources through the management of inland and coastal water quality.
- Access to opportunities through the reduction of overall costs for those using public transport.

The directorate follows a three pronged approach to achieving its objectives:

- Commuter
 - Integrated timetabling and ticketing system across all scheduled services
 - Centralised communication and queries across all transportation modes
 - Improved road, storm water and railway network management in cooperation with other relevant stakeholders
- Infrastructure
 - Move from reactive to proactive road maintenance across the entire network.
 - Freight management
 - Plan for upgrading of roads in residential services
 - Improvement of the depot management
 - Focus on public transport asset management
- Governance
 - Taxi management
 - Further rollout of City of Cape Town Transport Authority, Transport for Cape Town
 - Business plan for Passenger Rail and rollout of a process plan.
 - Rollout, upon assignment, of the Contracting Authority function.
 - Business plan for the assignment of the municipal regulating entity function to the City.

Key Projects currently being undertaken include:

Consideration of TCT and ensure that all projects and programmes are aligned within the constitution and bylaws of TCT.

- Roll out and operations of IRT infrastructure in Phase 1A, 1B and N2 Express and plans for Phase 2 and beyond.
- Building of Public Transport Interchanges.
- Implementation of the National Land Transport Act.
- Upgrading, rehabilitation and maintenance of major roads and storm water superstructure.
- Upgrading of the road, pavement and storm water network in disadvantaged residential areas to an acceptable and unified standard.
- Implementation of a business improvement process in the Roads & Stormwater department.

Table 72 Transport, Roads and Stormwater Directorate - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Transport, Roads and Stormwater									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	7 074	15 383	37 721	39 697	39 647	39 647	41 788	44 128	46 688
Rental of facilities and equipment	616	172	63	-	10	10	11	11	12
Interest earned - external investments	10	3	1	-	-	-	0	0	0
Interest earned - outstanding debtors	57	5	4	20	20	20	0	0	0
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	24	23	20	20	20	21	22	24
Licences and permits	68	819	1 513	1 090	1 090	1 090	1 151	1 215	1 286
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	33 916	37 504	109 454	536 487	264 872	264 872	320 059	182 688	54 429
Other revenue	15 535	16 667	22 509	15 436	15 476	15 476	15 744	16 626	17 590
Gains on disposal of PPE	505	462	289	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	57 782	71 040	171 577	592 749	321 135	321 135	378 774	244 691	120 029
Operating Expenditure By Type									
Employee related costs	313 573	343 110	405 702	499 560	485 320	485 320	533 863	577 364	627 017
Remuneration of councillors	(2)	-	-	-	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	105 431	157 425	192 048	193 081	281 539	281 539	401 017	429 088	459 124
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	2 675	47 512	49 701	37 802	41 821	41 821	48 466	52 583	57 156
Contracted services	374 878	308 040	451 992	625 271	635 759	635 759	757 266	701 471	632 492
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	15 420	145 310	159 256	488 120	205 677	205 677	178 418	152 391	133 484
Loss on disposal of PPE	33	16	53	-	-	-	-	-	-
Total Operating Expenditure	812 009	1 001 413	1 258 752	1 843 834	1 650 117	1 650 117	1 919 030	1 912 897	1 909 273
Operating Surplus/(Deficit)	(754 227)	(930 373)	(1 087 175)	(1 251 085)	(1 328 982)	(1 328 982)	(1 540 256)	(1 668 206)	(1 789 244)
Transfers recognised - capital	916 375	595 331	1 151 426	2 187 504	2 447 068	2 447 068	1 258 734	1 499 140	1 652 015
Contributions recognised - capital	23 650	28	-	3 434	4 386	4 386	2 150	2 100	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	185 799	(335 014)	64 252	939 853	1 122 472	1 122 472	(279 371)	(166 966)	(137 229)
Capital Expenditure	1 593 834	723 893	1 280 796	2 335 654	2 623 876	2 623 599	1 381 796	1 609 413	1 770 088

2.11.13 Utility Services (Vote 14)

The City is mandated by the Constitution, to provide essential services to the citizens of Cape Town. Utility Services, as the responsible directorate, delivers on the provision of effective and reliable water, sanitation, electricity and solid waste management services through effective management of natural resources and service delivery infrastructure.

The Core purpose of the directorate is:

- To ensure sustainable municipal infrastructure and services (Water, Sanitation, Electricity and Solid Waste) that will enable economic development
- To ensure equitable access to basic services for all the citizens of Cape Town.

2.11.13.1 Solid Waste Department

The City's Solid Waste Management (SWM) Department is the service authority and regulator of waste management activities in Cape Town, per the system of delegations and the municipality's executive powers conferred on it in law. Together with the Council's Integrated Waste Management (IWM) Policy, the IWM Plan is the implementation vehicle for integrated waste management services. The Integrated Waste Management (IWM) Plan of the department is there to comply and meet objectives of the National Waste Management Strategy, per the National Waste Act.

The overarching policy objectives are to ensure basic waste management services to all residents, to reduce waste that is landfilled, to conserve resources and the environment, clear and clean waste that is illegally dumped and to reduce the impacts of waste on human and environmental health, and the economy. In the short to medium term these programmes, projects and initiatives are adjusted according to the available budget.

Key Strategic Focus Areas

1. Asset Management and Infrastructure Development

- Develop an integrated infrastructure asset management programme
- Realign depots, staff and implement flexible working hours to achieve improved service efficiencies,
- Development of mini-MRF's (material recovery facilities) – to meet demand in all areas ;
- Rehabilitate old landfill sites (on-going permit and MFMA requirements).
- Construct and commission a new Northern region landfill site to provide landfill airspace to replace decommissioned landfills;
- Development of Tygerberg Integrated Waste Management facility;
- Review of Helderberg Integrated Waste Management facility design.

2. Financial

- Establish a financial waste information system to ring-fence cost and revenue for all services; securing capital and operating budget to meet service requirements;
- Securing alternative funding options, developing Community partnerships; actively create Local economic and SMME development; develop Public-Private Partnerships as alternate service mechanisms.

3. Waste Minimisation, Green Technology & Waste-to-Energy

- Give effect to Council's adoption of the MSA S.78 (3) recommendations, evaluation of the feasibility of the PPPs (Public Private Partnerships)

- Register landfill gas projects with the United Nations Framework Convention for Climate Change and implement a landfill gas mitigation project;
 - Sustain the 'The Think Twice' programme in certain suburbs
 - Institute aggressive waste management, minimisation and re-use of demolition/ construction rubble through the establishment of rubble crushing plants – contract already awarded and implemented at three sites, with more being planned
4. Awareness and Education
- Continue with public education and awareness programmes regarding waste management and waste minimisation (part of 'WasteWise' project).
5. Resource Management
- The creation of other internal (internship, learnership, in-service-training) and external training opportunities;

Capital Budget – Major Drivers for 2013/14 to 2015/16

- Replacement of Gantry Cranes at Athlone Transfer Stations & Vissershok Landfill Site
- New Disposal Drop-off Facilities at Swartklip Transfer Station, Old Faure Landfill Site
- New Collections Drop-off Facilities at Beacon Vale (alternative to Tygerdal), Prince George (alternative to Ladies Mile) & Epping
- Construction of the New Bellville Transfer Station
- Design & Development of New Cells for Vissershok North Landfill Site
- Purchase of the Land, Design & Development of New Regional Landfill Site
- Purchase of New & Replacement Fleet & Plant
- Shipping Containers for Informal Settlements

Table 73 Solid Waste Department - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Utility Services									
Department: Solid Waste Management									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	614 457	754 111	813 268	896 754	905 468	905 468	951 606	1 020 923	1 117 568
Service charges - other	9 965	10 542	195	10 421	416	416	442	467	494
Rental of facilities and equipment	48	2	1 668	9	9	9	-	-	-
Interest earned - external investments	16	10	7	-	-	-	-	-	-
Interest earned - outstanding debtors	18 832	18 779	19 944	20 000	20 000	20 000	20 000	21 120	22 345
Dividends received	-	-	-	-	-	-	-	-	-
Fines	3	24	29	4	14	14	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	143	-	-	-	11 212	11 212	-	-	-
Other revenue	930	880	1 786	143	4 708	4 708	5 150	5 439	5 754
Gains on disposal of PPE	738	632	2 804	-	-	-	-	-	-
Total Operating Revenue (excluding capital transfers and contributions)	645 132	784 981	839 701	927 330	941 825	941 825	977 198	1 047 948	1 146 160
Operating Expenditure By Type									
Employee related costs	400 412	450 515	496 877	571 097	563 854	563 854	611 693	669 686	720 763
Remuneration of councillors	(1)	-	-	-	-	-	-	-	-
Debt impairment	9 947	48 619	41 235	38 624	46 624	46 624	51 219	54 087	57 225
Depreciation & asset impairment	87 755	101 548	116 921	113 126	115 779	115 779	132 871	142 172	152 124
Finance charges	-	33 604	35 350	-	33 000	33 000	32 000	33 792	35 752
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	23 494	27 949	28 662	42 926	54 556	54 556	50 421	53 770	57 460
Contracted services	429 713	473 291	446 346	485 204	518 621	518 621	513 665	540 441	604 960
Transfers and grants	450	385	-	406	-	-	-	-	-
Other expenditure	128 401	165 920	178 083	273 586	176 668	176 668	201 210	212 498	224 841
Loss on disposal of PPE	382	65	42	-	-	-	-	-	-
Total Operating Expenditure	1 080 554	1 301 896	1 343 516	1 524 969	1 509 101	1 509 101	1 593 079	1 706 447	1 853 125
Operating Surplus/(Deficit)	(435 422)	(516 915)	(503 815)	(597 639)	(567 276)	(567 276)	(615 881)	(658 499)	(706 965)
Transfers recognised - capital	50 000	57 442	47 624	50 000	50 000	50 000	50 000	-	58 339
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	(385 422)	(459 473)	(456 192)	(547 639)	(517 276)	(517 276)	(565 881)	(658 499)	(648 626)
Capital Expenditure	285 406	198 374	229 904	245 506	214 173	213 003	264 938	229 006	237 345

2.11.13.2 Water & Sanitation Department

The Water and Sanitation department has adopted the framework for the attributes of effective water and wastewater utility management developed by the American Water Works Association (AWWA) as a balanced scorecard for its business management. The framework covers all aspects of the Water and Sanitation business necessary to position the department to achieving and contributing effectively and efficiently to the achievement of the City vision. The following ten attributes have been adopted:

1. **Product Quality:** looks at the ability of the department to meet the potable water quality standards licence conditions, the Department of Water Affairs general wastewater effluent standards, environmental management requirements and ecological needs.
2. **Customer Satisfaction:** looks at the ability of the department to provide basic services to all residents in the City, eradication of sanitation backlogs, provision of affordable service, meeting Service Charter standards, level of service and standard of service.
3. **Employee and Leadership Development:** the department has a challenge to develop and retain its employees and ensure high levels of motivation among employees.
4. **Operational Optimisation:** this attribute forces the department to review its business processes to ensure timely on-going cost-effective, reliable and sustainable service provision in all its operations.
5. **Financial Viability:** the focus is for the department to improve its collection ratios and ensure that the tariffs, charges or any levies are total cost-recovering in nature.
6. **Infrastructure Stability:** this business attribute requires the department to understand when to create and dispose of an asset, the condition of its assets, lifecycle costs, the associated costs to be incurred in unlocking asset value, to sustain the business.
7. **Operational Resilience:** this business focus area requires the department to ensure adequate risk management for its water and wastewater business.
8. **Community Sustainability:** this focus area ensures infrastructure investment led job creation for communities in the City of Cape Town. This will assist in improving the disposable income of households and enhance their ability to pay for water and sanitation services.
9. **Water Resource Adequacy:** As it is, this business attribute focuses on the ability of the department to ensure security of water supply.
10. **Stakeholder Management:** this attribute requires the department to identify the representatives of various stakeholders and ensure adequate engagement in issues that affect them.

Tariff increases have been set higher than inflation during the last number of years due to the escalated focus on repairs and maintenance of current infrastructure as well as the growth in the capacity requirement in the capital infrastructure programme. Water and Sanitation Services aim to provide an affordable service to poor households.

General strategies:

- Making adequate provision for the poor by maintaining a stepped tariff cross-subsidising the shortfall in the free basic service.
- Further relief to the poor via assistance to indigent customers.
- Investigation and debate into the use of Prepayment meters.
- Escalated focus on the collection of debt by increasing the capacity.
- Escalated focus on revenue protection and metering efficiency.
- Ensuring that adequate cash reserves are maintained to cover legislated funds

The Capital budget reflects high requirement for necessary infrastructure and is driven largely by growth and economic development as well as the refurbishment / extension of current infrastructure which places severe pressure on the City's Capital Budget. To achieve the required Capital Budget, it is necessary to maximise the use of Grant funding and to make optimal use of the Capital Replacement Reserve (CRR) within the financial constraints.

Capital Budget – Major Drivers for 2013/14 to 2015/16

- Bulk Water
- Reticulation
- Wastewater Treatment
- EAMS (Engineering Asset Management Systems)
- Informal Settlements
- Meter Replacement
- Information Technology
- Technical Operation Centre
- Master Planning

Table 74 Water & Sanitation Department - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Utility Services									
Department: Water & Sanitation									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	1 483 354	1 649 307	1 817 183	2 106 357	2 106 357	2 106 357	2 343 850	2 591 038	2 874 475
Service charges - sanitation revenue	801 008	903 138	1 002 925	1 127 122	1 127 122	1 127 122	1 243 019	1 374 779	1 526 005
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	37 665	37 819	41 291	53 864	52 352	52 352	54 921	57 997	61 360
Rental of facilities and equipment	4	10	10	7	7	7	50	52	55
Interest earned - external investments	27	19	9	-	-	-	-	-	-
Interest earned - outstanding debtors	183 819	185 226	209 068	200 000	200 000	200 000	210 000	221 760	234 622
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	3	5	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	2 527	2 915	7 360	-	2 305	2 305	-	-	-
Other revenue	27 454	11 551	32 576	10 439	10 439	10 439	12 447	13 144	13 906
Gains on disposal of PPE	3 492	2 081	3 939	2 000	2 000	2 000	2 000	2 112	2 234
Total Operating Revenue (excluding capital transfers and contributions)	2 539 349	2 792 068	3 114 366	3 499 789	3 500 582	3 500 582	3 866 287	4 260 882	4 712 658
Operating Expenditure By Type									
Employee related costs	719 091	772 770	865 593	1 028 306	961 715	961 715	1 130 178	1 222 469	1 327 844
Remuneration of councillors	(1)	-	-	-	-	-	-	-	-
Debt impairment	265 691	510 256	299 351	368 090	368 090	368 090	388 930	414 805	439 699
Depreciation & asset impairment	186 796	229 972	275 069	279 467	307 871	307 871	341 403	365 301	390 872
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	275 643	293 325	320 262	334 673	334 673	334 673	353 581	393 631	449 988
Other materials	18 469	45 775	63 237	66 409	64 427	64 427	69 928	75 058	80 729
Contracted services	552 837	361 322	417 004	460 641	479 441	479 441	527 032	588 152	670 134
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	171 325	391 983	470 028	471 008	510 931	510 931	534 279	611 717	677 809
Loss on disposal of PPE	239	447	254	-	-	-	-	-	-
Total Operating Expenditure	2 190 089	2 605 850	2 710 798	3 008 594	3 027 147	3 027 147	3 345 330	3 671 134	4 037 075
Operating Surplus/(Deficit)	349 260	186 218	403 568	491 195	473 435	473 435	520 957	589 748	675 584
Transfers recognised - capital	165 882	95 134	192 281	197 200	198 836	198 836	239 000	206 000	169 350
Contributions recognised - capital	9 993	14 594	9 907	15 000	10 000	10 000	10 000	11 000	11 000
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	525 135	295 946	605 756	703 395	682 270	682 270	769 957	806 748	855 934
Capital Expenditure	571 056	390 746	605 157	693 040	689 347	684 147	992 300	1 074 231	1 327 493

2.11.13.3 Electricity Department

The Department's core business is to provide reliable electricity supply to customers in the City's Electricity Services supply area. To ensure that the quality of electricity supply meets the required regulatory standards, the department monitors its performance in terms of NERSA guidelines as set out in the NRS 048 documents.

The average energy growth experienced in the City's Electricity services for the 6 years July 2000 to June 2006 was 3.3% p.a. Actual growth since 2008/09 was negative and the forecast is based on 0% growth for the years 2012/13 and 2013/14. Similar trends to the energy growth can be seen in the system demand. There was a sharp drop in demand in 2008/09 compared to the historic system demand growth of 2.7 %. Demand growth is more weather dependant than energy growth and has greater fluctuations. The demand growth for the years 2012/13 to 2016/17 is expected to fluctuate.

The Department, in partnership with the Environmental Resource Management Directorate, aims to:

- Establish and implement an Energy Efficiency (EE) programme.
- Promote Eskom's Energy program to the City's electricity consumers.
- Establish and maintain an on-line EE and DSM (Demand Side Management) resource

The current infrastructure within the geographical area of Cape Town needs to be refurbished and maintained to ensure that the condition of the current networks and infrastructure is improved to meet the business and social challenges in electrification in South Africa. Asset management plans need to be consolidated for implementation of programmes in the interim. This plan will feed into and support the operating and capital budgets. Expenses for refurbishment will be funded through internal working capital generation and borrowings.

In 2006 NERSA conducted technical audits of major electricity distributors including Cape Town Electricity in which maintenance was highlighted as a major area of concern. Subsequent to this the department has embarked on a multi-year program to implement enterprise asset management using the SAP platform and conforming to PAS55 standards. Through the systematization, standardization and centralization of functions asset management will form an integral part of day to day activities to create an efficient, predictable operational environment.

As the department is leading the Enterprise Asset Management (EAM) initiative with the other infrastructure driven departments following, partnering with Enterprise Solution Centre (ESC), HR and other Directorates for a successful implementation of EAM is of corporate importance.

Electrification is an on-going process which follows on the creation of homes for the homeless and will therefore continue over the medium to long-term. A backlog in service connections exists in the electrification of informal settlements in some areas and in the electrification of backyard dwellers in formal areas.

The following are key cost drivers to the departments Operating Budget: Bulk Purchases, Salaries and Wages, Repair & Maintenance, Capital Charges and the Contribution to Rates.

The Eskom price increase has a direct impact on the increase of the cost of Bulk Purchases and subsequently a major impact on the levels at which Cape Town Electricity's tariffs are set.

Capital Budget: The severity of the impact on the ability to distribute power is taken into account when capital projects are evaluated and graded on a risk matrix. Investment is required to ensure that quality, adequacy and reliability of supply are achieved and maintained.

Capital Budget – Major Drivers for 2013/14 to 2015/16

- Infrastructure: Growth (Strengthening / Expansion)
- Infrastructure: Refurbishment
- Electrification (including Backyarders)
- Facilities, Vehicles, Equipment
- Public Lighting

Table 75 Electricity Department - operating revenue by source, expenditure by type and total capital expenditure

Directorate: Utility Services									
Department: Electricity									
Budgeted Financial Performance (revenue and expenditure)									
Description	2009/10	2010/11	2011/12	2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15
Operating Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	5 413 070	6 578 063	8 061 648	8 971 405	9 094 445	9 094 445	9 668 405	10 627 511	11 611 618
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	258 182	243 204	5 833	6 497	6 497	6 497	4 658	4 918	5 204
Rental of facilities and equipment	138	195	580	280	280	280	372	391	410
Interest earned - external investments	10	12	6	8	8	8	3	4	4
Interest earned - outstanding debtors	18 231	14 416	13 128	15 600	15 600	15 600	16 474	17 396	18 405
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	2	2	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other revenue	59 691	69 559	53 118	69 980	69 980	69 980	76 420	80 994	85 692
Gains on disposal of PPE	2 248	1 978	1 273	2 500	2 500	2 500	2 500	2 640	2 793
Total Operating Revenue (excluding capital transfers and contributions)	5 751 569	6 907 428	8 135 587	9 066 270	9 189 309	9 189 309	9 768 832	10 733 854	11 724 126
Operating Expenditure By Type									
Employee related costs	567 993	600 254	664 526	760 398	750 308	750 308	816 171	904 799	993 539
Remuneration of councillors	-	-	-	-	-	-	-	-	-
Debt impairment	111 679	79 120	231 764	190 954	190 954	190 954	138 747	152 511	166 633
Depreciation & asset impairment	202 720	251 080	288 055	301 678	315 522	315 522	379 233	405 780	434 184
Finance charges	-	-	-	-	-	-	-	-	-
Bulk purchases	3 393 154	4 326 779	5 385 001	6 106 600	6 174 800	6 174 800	6 545 300	7 151 868	7 762 007
Other materials	4 738	98 443	78 276	122 130	122 212	122 187	126 800	137 592	149 380
Contracted services	327 344	129 622	125 516	149 320	150 700	150 203	140 010	150 920	186 301
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	56 084	217 634	205 009	213 204	212 370	212 892	277 375	357 101	390 312
Loss on disposal of PPE	282	546	260	-	-	-	-	-	-
Total Operating Expenditure	4 663 995	5 703 479	6 978 407	7 844 284	7 916 866	7 916 866	8 423 637	9 260 572	10 082 356
Operating Surplus/(Deficit)	1 087 574	1 203 949	1 157 180	1 221 985	1 272 444	1 272 444	1 345 195	1 473 282	1 641 770
Transfers recognised - capital	19 763	15 857	94 406	149 305	175 806	175 806	212 387	184 000	256 000
Contributions recognised - capital	22 402	25 790	27 077	32 000	27 865	27 865	33 100	35 500	37 600
Contributed assets	-	-	-	-	-	-	-	-	-
Operating Surplus/(Deficit) for the year	1 129 739	1 245 596	1 278 663	1 403 290	1 476 114	1 476 114	1 590 681	1 692 782	1 935 370
Capital Expenditure	698 785	733 508	926 127	1 302 623	1 286 751	1 269 636	1 446 951	1 235 430	1 317 966

2.12 Contracts having future budgetary implications

Table 76 MBRR SA33 - Contracts having future budgetary implications

Description	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Contract Value
	Total	Original Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Expenditure Obligation By Contract													
<i>AFS (Automated Fuel Systems)</i>	343 846	176 318	186 016	196 247	207 040	218 427	230 441	-	-	-	-	-	1 558 336
<i>CALGROM3 - Scottsdene</i>	-	42 403	13 000	4 000	-	-	-	-	-	-	-	-	59 403
<i>Power Construction - Pelican Park</i>	5 674	11 047	54 775	53 394	7 135	35 750	-	-	-	-	-	-	167 775
<i>LA Solomons Prop Dev and Consulting - Kanonkop</i>	33	217	342	95	95	94	94	-	-	-	-	-	970
Total Operating Expenditure Implication	349 553	229 985	254 133	253 736	214 270	254 271	230 535	-	-	-	-	-	1 786 483
Capital Expenditure Obligation By Contract													
<i>Lumen Technologies CC</i>	179 399	34 200	9 930	9 974	10 019	10 067	10 119	-	-	-	-	-	263 708
<i>ICT Works (PTY) LTD</i>	125 868	115 000	14 332	15 626	16 773	18 030	4 588	-	-	-	-	-	310 217
<i>Tender Number 451C/2011/12 Provision of Multidisciplinary Professional Services: New Office Building for Water and Sanitation</i>	-	350	11 000	7 650	9 200	1 800	-	-	-	-	-	-	30 000
<i>BJV (Bergstan SA & BKS)</i>	8 955	2 400	427	-	-	-	-	-	-	-	-	-	11 782
<i>Veolia Water Solutions & Sanitation</i>	94 474	61 567	8 000	-	-	-	-	-	-	-	-	-	164 041
<i>325C/2005/06 - Design and Contract administration of Muldersvlei Reservoir</i>	3 482	1 000	2 500	1 200	1 000	381	-	-	-	-	-	-	9 563
<i>342Q/2006/07 - Blackheath PAC (Powder Activated Carbon) system upgrade</i>	6 838	600	202	-	-	-	-	-	-	-	-	-	7 640
<i>CALGROM3 - Scottsdene</i>	76 056	156 770	52 202	-	-	-	-	-	-	-	-	-	285 028
<i>Power Construction - Pelican Park</i>	1 659	28 510	15 490	13 043	9 261	5 545	-	-	-	-	-	-	73 507
<i>AECOM (BKS) - CRU</i>	292 998	117 543	113 078	83 457	-	-	-	-	-	-	-	-	607 075
<i>Aurecon - CRU</i>	269 178	202 818	147 241	55 692	-	-	-	-	-	-	-	-	674 929
<i>LA Solomons Prop Dev and Consulting - Kanonkop</i>	127	775	1 800	655	286	246	246	-	-	-	-	-	4 135
Total Capital Expenditure Implication	1 059 035	721 533	376 202	187 296	46 539	36 069	14 953	-	-	-	-	-	2 441 627
Total Parent Expenditure Implication	1 408 588	951 518	630 335	441 032	260 809	290 340	245 488	-	-	-	-	-	4 228 110

Table 77 Projects having future budgetary implications

Description	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Value
	Total	Original Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Capital Expenditure Obligation By Project													
<i>Cape Town Electricity: HV Switchgear Replacement</i>	18 019	10 814	6 252	5 315	5 100	5 600	5 900	5 900	-	-	-	-	62 899
<i>Cape Town Electricity: Main Subst MV Switchgear Replacement</i>	25 506	27 547	14 403	-	33 270	-	-	-	-	-	-	-	100 726
<i>Cape Town Electricity: New Building Complex Bloemhof</i>	96 581	122 842	34 755	-	-	-	-	-	-	-	-	-	254 178
<i>Cape Town Electricity: Platteklouf - N1 Reinforcement</i>	-	100	4 915	42 593	40 761	-	-	-	-	-	-	-	88 369
<i>Cape Town Electricity: Koeberg Rd Switching Station Ph 2</i>	-	12 162	90 043	37 565	-	-	-	-	-	-	-	-	139 769
<i>Cape Town Electricity: Training School - Brackenfell</i>	11 813	44 901	59 181	-	-	-	-	-	-	-	-	-	115 895
<i>Cape Town Electricity: City Depot - Relocation</i>	-	9 029	64 264	-	-	-	-	-	-	-	-	-	73 292
<i>Cape Town Electricity: Athlone- Philippi: OH Line Undergrounding</i>	-	100	65 924	17 570	-	-	-	-	-	-	-	-	83 594
<i>Cape Town Electricity: System Equipment Replacement: North</i>	-	-	50 000	-	-	-	-	-	-	-	-	-	50 000
<i>Cape Town Electricity: Facilities Alterations & Upgrading</i>	-	-	150 000	-	-	-	-	-	-	-	-	-	150 000
<i>Cape Town Electricity: Steenbras: Replace M/G Rotors & Plant Re</i>	-	-	30 000	80 000	-	-	-	-	-	-	-	-	110 000
<i>Cape Town Electricity: Bloemhof: Stores Upgrade</i>	-	-	10 000	50 000	-	-	-	-	-	-	-	-	60 000
<i>Cape Town Electricity: Electrification- Formal & Informal</i>	-	-	91 447	-	-	-	-	-	-	-	-	-	91 447
<i>Cape Town Electricity: System Equipment Replacement: North</i>	-	-	-	53 000	-	-	-	-	-	-	-	-	53 000
<i>Cape Town Electricity: Facilities Alterations & Upgrading</i>	-	-	-	50 000	-	-	-	-	-	-	-	-	50 000
<i>Cape Town Electricity: Broad Road Phase 3</i>	-	-	-	20 465	29 930	-	-	-	-	-	-	-	50 395
<i>Cape Town Electricity: Bofors Upgrade</i>	-	-	-	54 295	88 439	1 006	-	-	-	-	-	-	143 740
<i>Cape Town Electricity: Oakdale Upgrade Ph 2</i>	-	-	-	10 000	71 631	-	-	-	-	-	-	-	81 631
<i>Cape Town Electricity: Electrification- Backyarders</i>	-	-	-	65 944	-	-	-	-	-	-	-	-	65 944
<i>Cape Town Electricity: Electrification- Formal & Informal</i>	-	-	-	75 000	-	-	-	-	-	-	-	-	75 000
<i>Cape Town Electricity: System Equipment Replacement: East</i>	-	-	-	-	53 000	-	-	-	-	-	-	-	53 000
<i>Cape Town Electricity: System Equipment Replacement: North</i>	-	-	-	-	58 000	-	-	-	-	-	-	-	58 000
<i>Cape Town Electricity: Facilities Alterations & Upgrading</i>	-	-	-	-	100 000	-	-	-	-	-	-	-	100 000
<i>Cape Town Electricity: Atlantis Industrial</i>	-	-	-	-	20 359	64 880	-	-	-	-	-	-	85 239
<i>Cape Town Electricity: Observatory Upgrade</i>	-	-	-	-	7 000	88 934	-	-	-	-	-	-	95 934
<i>Cape Town Electricity: Electrification (NEP)</i>	-	-	-	-	50 000	-	-	-	-	-	-	-	50 000
<i>Cape Town Electricity: Electrification- Backyarders</i>	-	-	-	-	110 000	-	-	-	-	-	-	-	110 000
<i>Cape Town Electricity: Electrification- Formal & Informal</i>	-	-	-	-	85 000	-	-	-	-	-	-	-	85 000
<i>Solid Waste Management: Solid Waste Management Infrastructure</i>	-	-	50 000	-	-	-	-	-	-	-	-	-	50 000

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City of Cape Town 2013/14 Annual Budget and MTREF

Description	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Value
	Total	Original Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<i>Solid Waste Management: Plant & Vehicles</i>	-	-	63 600	-	-	-	-	-	-	-	-	-	63 600
<i>Solid Waste Management: New Transfer Station Infrastructure</i>	-	-	105 134	-	-	-	-	-	-	-	-	-	105 134
<i>Solid Waste Management: New Transfer Station Infrastructure</i>	-	-	-	86 664	-	-	-	-	-	-	-	-	86 664
<i>Solid Waste Management: Plant & Vehicles</i>	-	-	-	59 000	-	-	-	-	-	-	-	-	59 000
<i>Solid Waste Management: New Transfer Station Infrastructure</i>	-	-	-	50 000	-	-	-	-	-	-	-	-	50 000
<i>Solid Waste Management: Replacement: Plant & Vehicles</i>	-	-	-	-	77 000	-	-	-	-	-	-	-	77 000
<i>Solid Waste Management: New Landfill Site Infrastructure</i>	-	-	-	-	130 000	-	-	-	-	-	-	-	130 000
<i>Water & Sanitation: Kraaifontein/Fisantekraal WWTW</i>	47 419	447	-	-	3 000	3 000	-	-	-	-	-	-	53 866
<i>Water & Sanitation: Bellville Wastewater Treatment Works</i>	193 144	109 586	8 000	-	-	-	-	-	-	-	-	-	310 730
<i>Water & Sanitation: Northern Area Sewer Thornton</i>	5 018	10 000	90 000	46 000	-	-	-	-	-	-	-	-	151 018
<i>Water & Sanitation: Main Rd Upgrade M/Berg to Clovelly Rehab</i>	62 382	12 588	10 000	12 000	-	-	-	-	-	-	-	-	96 970
<i>Water & Sanitation: Rehab Outfall Sewers Pentz Sandrift m/qu</i>	7 982	1 200	5 000	5 000	12 000	9 000	9 000	9 000	-	-	-	-	58 182
<i>Water & Sanitation: Zandvliet WWTW-Extension</i>	422	-	54 050	27 000	20 000	-	-	-	-	-	-	-	101 472
<i>Water & Sanitation: Philippi Collector Sewer</i>	-	-	900	2 000	12 000	30 000	25 000	25 000	-	-	-	-	94 900
<i>Water & Sanitation: Potsdam WWTW - Extension</i>	8 882	1 720	58 300	40 650	55 000	51 000	40 000	40 000	-	-	-	-	295 553
<i>Water & Sanitation: Bulk Water Augmentation Scheme</i>	1 493	1 700	31 500	69 300	60 000	316 930	404 850	404 850	-	-	-	-	1 290 623
<i>Water & Sanitation: Macassar WWTW-extension</i>	-	-	-	-	5 000	5 000	25 000	25 000	-	-	-	-	60 000
<i>Water & Sanitation: Construction of new Head Office</i>	-	1 000	70 000	96 000	66 000	21 000	-	-	-	-	-	-	254 000
<i>Water & Sanitation: Northern Regional Sludge Facility</i>	1 000	1 000	-	10 000	75 000	80 000	160 785	159 785	-	-	-	-	487 571
<i>Water & Sanitation: EAM Depot Realignment - 5 Nodal System</i>	2 409	41 449	25 000	-	-	-	-	-	-	-	-	-	68 859
<i>Water & Sanitation: Macassar WWTW Extension (USDG)</i>	-	5 500	14 400	-	-	-	45 650	45 650	-	-	-	-	111 200
<i>Water & Sanitation: Cape Flats WWTW-Refurbish various struct</i>	-	-	5 000	14 000	17 000	-	-	25 000	-	-	-	-	61 000
<i>Water & Sanitation: Mitchels Plain WWTW</i>	-	-	5 500	11 000	18 500	18 500	-	-	-	-	-	-	53 500
<i>Water & Sanitation: Cape Flats III</i>	-	4 371	38 000	80 000	42 725	-	-	-	-	-	-	-	165 096
<i>Water & Sanitation: Athlone WWTW-Capacity Extension-phase 1</i>	-	-	-	-	40 000	20 000	-	20 000	-	-	-	-	80 000
<i>Water & Sanitation: Replace & Upgr Sewer Network (Citywide)</i>	-	-	59 500	-	-	-	-	-	-	-	-	-	59 500
<i>Water & Sanitation: Replace & Upgr Water Network (citywide)</i>	-	-	78 612	-	-	-	-	-	-	-	-	-	78 612

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Description	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Value
	Total	Original Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<i>Water & Sanitation: Meter Replacement Program</i>	-	-	75 000	-	-	-	-	-	-	-	-	-	75 000
<i>Water & Sanitation: Replace & Upgr Sewer Network (Citywide)</i>	-	-	-	54 000	-	-	-	-	-	-	-	-	54 000
<i>Water & Sanitation: Development of Additional Infrastructure</i>	-	-	-	55 221	-	-	-	-	-	-	-	-	55 221
<i>Water & Sanitation: Additional Recources Desalination Reclai</i>	-	-	-	20 000	20 000	245 000	245 000	-	-	-	-	-	530 000
<i>Water & Sanitation: Upgrade Rietvlei Pumping Station, Rising</i>	-	-	-	700	32 601	13 750	18 750	6 250	-	-	-	-	72 051
<i>Water & Sanitation: Meter Replacement Program</i>	-	-	-	131 000	-	-	-	-	-	-	-	-	131 000
<i>Water & Sanitation: Development of Additional Infrastructure</i>	-	-	-	-	114 812	-	-	-	-	-	-	-	114 812
<i>Water & Sanitation: Meter Replacement Program</i>	-	-	-	-	205 191	-	-	-	-	-	-	-	205 191
<i>Water & Sanitation: Replace & Upgr Sewer Network (Citywide)</i>	-	-	-	-	68 000	-	-	-	-	-	-	-	68 000
<i>Water & Sanitation: Replace & Upgr Water Network (citywide)</i>	-	-	-	-	98 060	-	-	-	-	-	-	-	98 060
<i>Library and Information Services: New Regional Library Kuyasa Khayelitsha</i>	4 754	6 283	38 470	16 489	-	-	-	-	-	-	-	-	65 995
<i>Library and Information Services: Books, Perio.&Subsc : Libraries</i>	5 442	5 961	6 433	6 424	6 797	7 191	7 608	7 608	-	-	-	-	53 463
<i>Roads and Stormwater: Pelican Park: Strandfontein Road Upgr</i>	106 202	50 240	1 813	2 600	30 000	30 000	-	-	-	-	-	-	220 855
<i>Roads and Stormwater: Main Roads: Northern Corridor</i>	-	6 000	5 500	11 000	4 500	6 000	9 000	9 000	-	-	-	-	51 000
<i>Roads and Stormwater: WC: City-wide NMT Plan</i>	-	-	60 000	-	-	-	-	-	-	-	-	-	60 000
<i>Roads and Stormwater: Roads & Stormwater Rehabilitation</i>	-	-	114 100	-	-	-	-	-	-	-	-	-	114 100
<i>Roads and Stormwater: City-wide NMT Plan</i>	-	-	-	75 000	-	-	-	-	-	-	-	-	75 000
<i>Roads and Stormwater: Sir Lowry's Pass River Upgrade</i>	-	-	-	20 000	20 000	10 000	10 000	-	-	-	-	-	60 000
<i>Roads and Stormwater: Bulk Roads & Stormwater Housing Project</i>	-	-	-	50 000	-	-	-	-	-	-	-	-	50 000
<i>Roads and Stormwater: Roads & Stormwater Rehabilitation</i>	-	-	-	157 000	-	-	-	-	-	-	-	-	157 000
<i>Roads and Stormwater: NMT Network & Universal Access:PTIS</i>	-	-	-	-	85 000	-	-	-	-	-	-	-	85 000
<i>Roads and Stormwater: Roads & Stormwater Rehabilitation</i>	-	-	-	-	85 000	-	-	-	-	-	-	-	85 000
<i>Roads and Stormwater: Bulk Roads & Stormwater Housing Project</i>	-	-	-	-	55 000	-	-	-	-	-	-	-	55 000
<i>Transport: Mitchell's Plain Station TI</i>	60 556	11 048	9 500	-	-	-	-	-	-	-	-	-	81 105

Continues on next page...

City of Cape Town 2013/14 Annual Budget and MTREF

Description	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Value
	Total	Original Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Transport: Public Transport Facilities -USDG	-	-	-	-	30 000	40 000	-	-	-	-	-	-	70 000
IRT Implementation: Intergrated Bus Rapid Transit System	211 332	13 806	6 588	950	-	-	-	-	-	-	-	-	232 677
IRT Implementation: IRT: Depot Infrastructure	23 536	71 124	16 000	1 000	-	-	-	-	-	-	-	-	111 660
IRT Implementation: IRT:WestCoastCorridor	520 175	244 779	32 704	-	-	-	-	-	-	-	-	-	797 658
IRT Implementation: IRT: Inner City Feeder Stops	91 996	56 842	54 045	-	-	-	-	-	-	-	-	-	202 883
IRT Implementation: IRT: Trunk Stations	79 475	119 376	90 000	14 000	-	-	-	-	-	-	-	-	302 851
IRT Implementation: IRT: Atlantis Depot	13 566	53 425	5 000	-	-	-	-	-	-	-	-	-	71 991
IRT Implementation: IRT: Ph 2A Wetton-Lansdowne Corr	-	6 000	45 608	250 000	675 888	-	-	-	-	-	-	-	977 496
IRT Implementation: IRT: Phase 2 Express City to Mitch Plain	-	22 790	120 000	105 000	10 000	-	-	-	-	-	-	-	257 790
IRT Implementation: IRT: Ph 1B Koeberg-Century City	-	77 909	131 841	271 391	-	-	-	-	-	-	-	-	481 140
IRT Implementation: IRT: Ph 1C Houtbay Wynberg	-	-	20 000	85 000	10 000	-	-	-	-	-	-	-	115 000
IRT Operations: IRT: Control Centre	135 456	44 101	20 061	30 000	5 000	-	-	-	-	-	-	-	234 618
IRT Operations: IRT: Fare Collection	72 480	196 848	95 830	48 696	8 000	-	-	-	-	-	-	-	421 855
IRT Operations: IRT: Vehicle Acquisitions	-	-	163 254	-	-	-	-	-	-	-	-	-	163 254
IRT Operations: IRT: Acquisition of Rights	-	552 176	49 061	50 000	175 000	-	-	-	-	-	-	-	826 237
IRT Operations: IRT: Vehicle Acquisition	-	-	-	146 996	325 000	-	-	-	-	-	-	-	471 996
Specialised Technical Services: Radio Trunking Infrastructure	52 330	-	1 000	6 000	6 000	1 000	1 000	1 000	-	-	-	-	68 330
Specialised Technical Services: FM Structural Rehabilitation	61 507	43 215	39 482	40 000	65 000	59 500	-	-	-	-	-	-	308 704
Information Systems and Technology: Dark Fibre Broadband Infrastructure	138 408	45 000	72 000	68 000	68 000	68 000	68 000	68 000	-	-	-	-	595 408
Information Systems and Technology: WCG Broadband Connectivity	2 979	22 228	10 000	10 702	11 332	-	-	-	-	-	-	-	57 241
Existing Settlements: Manenberg CRU Project (1584 units)	9 493	75 032	100 544	67 848	-	-	-	-	-	-	-	-	252 917
Existing Settlements: Hanover Park CRU Project	82 847	71 891	61 028	24 832	-	-	-	-	-	-	-	-	240 597
Existing Settlements: Heideveld CRU Project	35 810	51 410	30 912	8 868	-	-	-	-	-	-	-	-	127 001
Existing Settlements: Marble Flats CRU Project	48 520	26 681	31 614	7 662	-	-	-	-	-	-	-	-	114 478
Existing Settlements: Langa Hostels CRU Project (1300 units)	-	10 420	87 207	91 170	7 371	-	-	-	-	-	-	-	196 168
New Settlements: Bardale / Fairdale: Develop 4000 Units	107 371	7 105	28 000	4 287	-	-	-	-	-	-	-	-	146 763
New Settlements: Happy Valley Phase 2 - 1000 Units	14 964	35 000	6 120	-	-	-	-	-	-	-	-	-	56 084
New Settlements: Delft - The Hague Housing Project 1400 U	2 868	12 932	20 000	20 000	7 243	-	-	-	-	-	-	-	63 043
New Settlements: Imizamo Yethu - Hout Bay Housing Project	-	1 500	-	20 000	20 000	20 000	20 000	20 000	-	-	-	-	101 500
New Settlements: Scottsdene New CRU Project - 200 unit	3 600	68 600	8 082	-	-	-	-	-	-	-	-	-	80 282

2.13 Capital expenditure details

Table 78 MBRR Table SA34a - Capital expenditure on new assets by asset class

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	1 633 263	1 166 506	1 396 795	1 794 052	1 857 501	1 841 571	2 609 716	2 606 528	2 804 455
Infrastructure - Road transport	972 074	508 450	650 661	698 263	735 214	731 364	1 190 195	1 331 132	1 483 362
<i>Roads, Pavements & Bridges</i>	942 489	474 610	562 319	631 534	659 099	656 693	1 149 116	1 313 687	1 471 236
<i>Storm water</i>	29 585	33 840	88 342	66 729	76 114	74 671	41 080	17 446	12 126
Infrastructure - Electricity	268 053	404 244	341 321	479 671	487 951	479 152	761 578	605 596	618 220
<i>Transmission & Reticulation</i>	235 810	384 209	304 028	428 148	434 453	430 300	708 073	553 321	557 220
<i>Street Lighting</i>	32 243	20 035	37 294	51 523	53 499	48 852	53 505	52 275	61 000
Infrastructure - Water	91 974	58 842	79 633	132 206	152 993	149 777	191 903	265 548	316 172
<i>Dams & Reservoirs</i>	21 030	4 706	10 227	40 260	37 163	37 163	48 250	81 550	79 110
<i>Reticulation</i>	70 944	54 136	69 406	91 947	115 830	112 614	143 653	183 998	237 063
Infrastructure - Sanitation	240 052	103 983	152 022	253 971	220 058	219 992	225 618	214 927	170 201
<i>Reticulation</i>	96 171	49 353	46 159	164 471	109 472	106 406	211 618	174 627	76 101
<i>Sewerage purification</i>	143 881	54 630	105 863	89 500	110 586	113 586	14 000	40 300	94 100
Infrastructure - Other	61 111	90 987	173 158	229 941	261 285	261 285	240 422	189 324	216 500
<i>Waste Management</i>	16 832	32 212	-	-	-	-	193 664	162 194	152 500
<i>Transportation</i>	39 263	57 926	168 073	224 101	259 195	259 195	41 868	27 130	64 000
<i>Other</i>	5 016	849	5 085	5 840	2 090	2 090	4 890	-	-
Community	810 874	148 781	106 850	224 042	246 522	244 999	131 174	137 001	101 950
Parks & gardens	779	4 264	574	-	-	-	2 112	-	-
Sportsfields & stadia	763 568	105 530	76 891	96 114	116 108	116 094	7 858	10 500	13 000
Swimming pools	-	-	-	2 000	2 000	2 000	435	-	-
Community halls	5 430	5 342	6 271	9 334	7 718	6 159	13 118	11 471	3 250
Libraries	9 294	11 379	4 653	27 505	8 892	8 892	48 451	28 489	13 000
Recreational facilities	7 721	7 091	-	-	515	515	3 000	6 000	-
Fire, safety & emergency	2 057	3 139	179	-	-	-	-	-	-
Clinics	14 925	6 249	13 067	12 856	11 029	11 029	6 000	6 700	11 500
Museums & Art Galleries	-	-	375	76	176	176	-	-	-
Cemeteries	6 620	4 924	4 195	1 000	415	415	2 000	5 542	2 500
Social rental housing	479	863	640	46 382	68 663	68 663	18 082	35 000	25 400
Other	-	-	6	28 775	31 007	31 057	30 119	33 300	33 300
Heritage assets	602	761	10 842	7 204	7 643	7 642	9 598	9 924	6 797
Other	602	761	10 842	7 204	7 643	7 642	9 598	9 924	6 797
Other assets	619 282	229 755	622 575	1 277 203	1 261 754	1 260 479	438 976	359 034	323 051
General vehicles	182 526	13 939	128 438	527 093	593 119	593 119	13 150	40 250	42 100
Specialised vehicles	2 110	-	-	-	-	-	-	-	-
Plant & equipment	118 765	93 378	257 782	363 019	346 003	346 191	110 606	105 289	109 502
Computers - hardware/equipment	40 475	23 254	32 042	33 983	30 181	29 894	41 762	53 120	39 324
Furniture and other office equipment	37 390	24 893	56 889	25 022	33 060	34 102	26 212	28 876	32 326
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	49 364	26 544	64 131	148 704	130 309	130 059	60 548	-	-
Other Buildings	72 595	8 116	47 473	150 615	110 677	108 712	166 060	111 350	79 650
Other Land	69 099	31 550	35 311	28 125	17 461	17 461	20 150	20 150	20 150
Other	46 959	8 081	509	643	943	941	487	-	-
Total Capital Expenditure on new assets	3 064 021	1 545 803	2 137 063	3 302 501	3 373 421	3 354 691	3 189 465	3 112 488	3 236 253
Specialised vehicles	2 110	-	-	-	-	-	-	-	-
Refuse	2 110	-	-	-	-	-	-	-	-

Table 79 MBRR Table SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	1 180 210	743 747	1 060 276	1 641 898	1 285 126	1 272 457	1 098 557	1 291 287	1 532 906
Infrastructure - Road transport	448 535	175 653	218 798	783 882	424 621	424 153	252 436	283 357	235 750
<i>Roads, Pavements & Bridges</i>	424 032	173 164	213 766	777 882	409 057	408 590	250 236	276 007	231 750
<i>Storm water</i>	24 504	2 489	5 032	6 000	15 563	15 563	2 200	7 350	4 000
Infrastructure - Electricity	253 925	222 302	423 720	426 925	449 902	442 401	351 578	506 833	547 471
<i>Generation</i>	-	-	-	-	-	-	164	-	-
<i>Transmission & Reticulation</i>	253 905	222 302	423 585	426 925	449 827	442 326	351 414	506 833	547 471
<i>Street Lighting</i>	20	-	135	-	75	75	-	-	-
Infrastructure - Water	81 505	80 896	99 671	93 411	119 939	122 939	198 112	237 388	366 252
<i>Dams & Reservoirs</i>	4 592	16 189	4 191	10 150	15 150	15 150	-	20 000	10 000
<i>Water purification</i>	2 547	94	-	-	-	-	-	-	5 000
<i>Reticulation</i>	74 366	64 612	95 480	83 261	104 789	107 789	198 112	217 388	351 252
Infrastructure - Sanitation	157 208	118 354	209 427	196 864	181 869	175 869	278 225	256 295	380 734
<i>Reticulation</i>	65 553	51 478	92 098	124 730	131 341	132 191	124 075	91 825	158 834
<i>Sewerage purification</i>	91 654	66 876	117 330	72 134	50 528	43 678	154 150	164 470	221 900
Infrastructure - Other	239 037	146 542	108 660	140 816	108 796	107 095	18 207	7 413	2 700
<i>Waste Management</i>	191 711	132 352	93 620	133 332	102 000	100 300	2 000	-	-
<i>Transportation</i>	45 802	6 238	9 205	6 664	5 874	5 874	13 609	5 000	-
<i>Other</i>	1 524	7 953	5 835	820	922	921	2 598	2 413	2 700
Community	174 800	288 797	478 711	481 775	521 687	517 900	573 256	370 630	182 837
Parks & gardens	23 239	21 639	34 675	39 435	52 932	52 922	51 174	24 809	50 101
Sportsfields & stadia	49 761	23 251	44 522	31 393	31 492	31 485	42 134	58 731	65 731
Swimming pools	2 518	4 375	1 072	1 300	1 356	1 356	-	-	-
Community halls	4 653	4 614	7 426	35 824	35 430	36 630	28 739	1 500	8 000
Libraries	1 452	-	-	-	50	50	-	-	-
Recreational facilities	1 704	3 912	8 224	6 881	5 459	3 959	9 974	3 000	10 000
Fire, safety & emergency	4 676	4 609	7 629	2 682	5 097	5 097	4 316	1 264	1 264
Clinics	8 603	3 443	6 306	13 135	16 381	16 382	13 950	6 700	9 200
Museums & Art Galleries	-	34	-	-	92	92	140	-	-
Cemeteries	10 563	8 533	14 991	8 828	10 439	10 439	22 170	20 750	4 000
Social rental housing	58 640	203 350	344 469	331 866	354 041	350 620	398 310	251 575	28 771
Other	8 991	11 037	9 397	10 431	8 918	8 868	2 350	2 300	5 770
Heritage assets	-	-	342	1 355	746	746	430	1 230	2 230
Buildings	-	-	-	1 355	746	746	-	1 230	-
Other	-	-	342	-	-	-	430	-	2 230
Other assets	243 896	279 414	556 853	499 081	1 040 830	1 037 771	554 976	362 071	425 902
General v ehicles	91 171	91 625	68 805	34 788	621 964	621 964	89 673	36 991	38 066
Specialised v ehicles	-	-	130 953	100 900	100 900	100 900	63 600	59 000	77 000
Plant & equipment	48 146	46 787	74 045	15 497	18 571	18 855	16 287	29 018	22 028
Computers - hardware/equipment	48 569	39 557	20 684	64 900	73 524	73 506	123 844	88 555	66 439
Furniture and other office equipment	13 923	4 818	7 612	9 456	12 398	12 281	11 064	7 783	4 347
Markets	-	-	220	8 080	1 030	1 030	500	-	-
Civic Land and Buildings	11 017	38 288	62 238	109 194	84 432	81 425	63 857	53 300	77 300
Other Buildings	12 734	49 830	168 594	154 266	126 810	126 610	181 502	78 274	123 722
Other Land	-	-	-	-	-	-	-	-	-
Other	18 336	8 509	23 702	2 000	1 200	1 200	4 650	9 150	17 000
Total Capital Expenditure on renewal of existing assets	1 598 906	1 311 958	2 096 182	2 624 109	2 848 389	2 828 874	2 227 220	2 025 217	2 143 876
Specialised vehicles	-	-	130 953	100 900	100 900	100 900	63 600	59 000	77 000
Refuse	-	-	130 953	100 900	100 900	100 900	63 600	59 000	77 000
Renewal of Existing Assets as % of total capex	34.3%	45.9%	49.5%	44.3%	45.8%	45.7%	41.1%	39.4%	39.8%
Renewal of Existing Assets as % of depreciation	153.2%	103.1%	149.8%	181.7%	178.2%	177.0%	115.1%	97.8%	96.8%

Table 80 MBRR Table SA34c - Repairs and maintenance expenditure by asset class

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	567 976	607 340	580 901	850 094	934 376	934 376	1 155 172	1 254 747	1 364 914
Infrastructure - Road transport	237 338	265 917	303 238	354 785	356 474	356 474	618 333	671 509	730 602
<i>Roads, Pavements & Bridges</i>	237 338	265 915	303 234	354 785	356 474	356 474	618 333	671 509	730 602
<i>Storm water</i>	0	2	4	-	-	-	-	-	-
Infrastructure - Electricity	260 839	269 194	202 472	336 492	336 575	336 575	335 843	364 959	396 822
<i>Generation</i>	6 232	9 579	11 910	14 596	14 596	14 596	15 554	16 984	18 378
<i>Transmission & Reticulation</i>	197 031	194 212	173 733	303 885	303 968	303 968	294 872	320 356	348 412
<i>Street Lighting</i>	57 576	65 403	16 829	18 011	18 011	18 011	25 417	27 619	30 032
Infrastructure - Water	20 127	22 544	23 998	63 893	65 382	65 382	65 993	71 667	77 975
<i>Dams & Reservoirs</i>	19 728	22 456	23 932	50 791	52 279	52 279	51 808	56 263	61 215
<i>Water purification</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	399	87	65	13 103	13 103	13 103	14 185	15 404	16 760
Infrastructure - Sanitation	29 565	27 556	39 518	57 083	64 148	64 148	69 926	75 939	82 623
<i>Reticulation</i>	1	93	1	-	-	-	-	-	-
<i>Sewerage purification</i>	29 564	27 463	39 517	57 083	64 148	64 148	69 926	75 939	82 623
Infrastructure - Other	20 107	22 128	11 675	37 841	111 797	111 797	65 077	70 673	76 892
<i>Waste Management</i>	-	-	-	-	-	-	-	-	-
<i>Transportation</i>	-	-	-	-	-	-	-	-	-
<i>Gas</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	20 107	22 128	11 675	37 841	111 797	111 797	65 077	70 673	76 892
Community	57 990	64 418	59 347	62 627	63 523	63 523	68 567	74 464	81 018
Parks & gardens	9 127	8 599	8 201	5 550	5 754	5 754	7 071	7 679	8 356
Sportsfields & stadia	1 201	1 224	1 553	-	-	-	-	-	-
Swimming pools	3 052	3 474	3 751	10	6	6	23	25	27
Community halls	8 500	8 177	7 072	2 400	2 450	2 450	2 437	2 647	2 880
Libraries	222	92	172	541	540	540	433	470	512
Recreational facilities	33 060	38 673	31 752	43 267	43 352	43 352	46 888	50 921	55 403
Fire, safety & emergency	139	161	239	123	323	323	669	727	791
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	862	821	1 309	2 289	2 207	2 207	1 482	1 609	1 751
Museums & Art Galleries	18	3	25	428	428	428	395	429	467
Cemeteries	679	2 039	4 288	1 390	1 386	1 386	1 440	1 564	1 702
Social rental housing	-	-	-	-	-	-	-	-	-
Other	1 129	1 155	985	6 629	7 077	7 077	7 728	8 392	9 131
Heritage assets	6 361	7 104	7 236	9 983	9 983	9 983	12 608	13 692	14 897
Buildings	-	-	-	-	-	-	-	-	-
Other	6 361	7 104	7 236	9 983	9 983	9 983	12 608	13 692	14 897
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	945 392	1 030 420	1 235 574	1 668 433	1 614 217	1 614 247	1 691 963	1 850 524	2 002 167
General vehicles	67 872	104 864	127 688	122 693	118 430	118 430	128 159	139 180	154 429
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	8 603	10 279	10 366	13 463	13 152	13 152	18 604	20 203	21 981
Computers - hardware/equipment	123 209	119 134	151 363	275 655	277 817	277 817	272 785	299 078	322 316
Furniture and other office equipment	458 640	494 737	617 792	895 807	839 401	839 431	888 760	975 359	1 050 128
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	55 882	61 351	64 519	69 562	68 492	68 492	69 061	75 000	81 599
Other Buildings	1 123	1 235	1 964	2 096	2 090	2 090	1 803	1 958	2 130
Other Land	80 322	81 421	91 486	93 457	95 793	95 793	106 523	115 686	125 864
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	149 740	157 398	170 395	195 699	199 041	199 041	206 268	224 059	243 720
Total Repairs and Maintenance Expenditure	1 577 720	1 709 282	1 883 057	2 591 137	2 622 099	2 622 129	2 928 309	3 193 427	3 462 995
Specialised vehicles	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-
R&M as a % of PPE	7.9%	7.9%	7.7%	9.0%	9.0%	9.0%	9.1%	9.1%	9.1%
R&M as % Operating Expenditure	9.6%	9.2%	8.9%	10.6%	10.7%	10.7%	11.1%	11.3%	11.2%

Table 81 MBRR Table SA35 - Future financial implication of the capital budget

Vote Description R thousand	2013/14 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Present value
Capital expenditure							
Vote 1 - City Health	23 716	17 466	25 466	-	-	-	-
Vote 2 - City Manager	222	222	222	-	-	-	-
Vote 3 - Community Services	223 123	181 434	154 670	-	-	-	-
Vote 4 - Corporate Services	263 892	218 263	243 893	-	-	-	-
Vote 5 - Deputy City Manager	49 390	41 417	37 317	-	-	-	-
Vote 6 - Economic, Environment & Spatial Planning	66 507	58 209	62 527	-	-	-	-
Vote 7 - Finance	10 941	7 172	3 781	-	-	-	-
Vote 8 - Human Settlements	617 419	393 916	122 833	-	-	-	-
Vote 9 - Rates & Other	-	-	-	-	-	-	-
Vote 10 - Safety & Security	40 927	33 127	35 127	-	-	-	-
Vote 11 - Social and Early Childhood Development	8 260	13 010	11 010	-	-	-	-
Vote 12 - Tourism, Events and Marketing	26 161	25 250	30 250	-	-	-	-
Vote 13 - Transport, Roads and Stormwater	1 381 796	1 609 413	1 770 088	-	-	-	-
Vote 14 - Utility Services	2 704 329	2 538 806	2 882 944	-	-	-	-
Total Capital Expenditure	5 416 684	5 137 705	5 380 129	-	-	-	-
Future operational costs by vote							
Vote 1 - City Health	18 503	20 569	22 508	15 096	16 029	16 439	-
Vote 2 - City Manager	335	582	627	121	133	144	-
Vote 3 - Community Services	128 253	143 308	154 101	59 772	64 686	63 236	-
Vote 4 - Corporate Services	303 008	326 692	350 716	92 249	98 927	85 452	-
Vote 5 - Deputy City Manager	10 115	11 037	11 939	3 715	4 071	4 372	-
Vote 6 - Economic, Environment & Spatial Planning	50 075	56 080	61 486	41 783	45 653	49 523	-
Vote 7 - Finance	18 122	19 683	21 254	5 411	5 912	6 413	-
Vote 8 - Human Settlements	84 705	98 023	102 789	23 035	22 460	17 517	-
Vote 9 - Rates & Other	-	-	-	-	-	-	-
Vote 10 - Safety & Security	60 042	66 199	72 163	26 064	27 751	30 164	-
Vote 11 - Social and Early Childhood Development	3 766	4 042	4 603	2 195	2 598	2 602	-
Vote 12 - Tourism, Events and Marketing	274 719	299 900	324 957	114 163	124 737	135 312	-
Vote 13 - Transport, Roads and Stormwater	574 511	628 055	661 458	228 868	245 819	224 893	-
Vote 14 - Utility Services	1 457 580	1 614 438	1 756 531	857 020	918 335	996 189	-
Total future operational costs	2 983 735	3 288 606	3 545 132	1 469 492	1 577 112	1 632 257	-
Net Financial Implications	8 400 419	8 426 312	8 925 260	1 469 492	1 577 112	1 632 257	-

The above forecast figures exclude depreciation.

Table 82 MBRR Table SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project R thousand	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
City Manager	Various	-	-	yes	Various	Various	-	122	224	222	222	222		
Deputy City Manager	Various	-	-	yes	Various	Various	-	13 962	31 437	49 390	41 417	37 317		
Utility Services	Cape Town Electricity: HV Switchgear Replacement	C08.84007	1	yes	Infrastructure - Electricity	Transmission & Reticulation	62 899	5 476	10 814	6 252	5 315	5 100	Multi	Renewal
Utility Services	Cape Town Electricity: Main Subst MV Switchgear Replacement	C08.84043	1	yes	Infrastructure - Electricity	Transmission & Reticulation	100 726	11 268	27 547	14 403	-	33 270	Multi	Renewal
Utility Services	Cape Town Electricity: New Building Complex Bloemhof	C09.84065	1	yes	Other assets	Civic Land and Buildings	254 178	47 619	122 842	34 755	-	-	3	New
Utility Services	Cape Town Electricity: Training School - Brackenfell	C12.84075	1	yes	Other assets	Other Buildings	115 895	11 813	44 901	59 181	-	-	6	New
Utility Services	Cape Town Electricity: City Depot - Relocation	C13.84076	1	yes	Infrastructure - Electricity	Transmission & Reticulation	73 292	-	9 029	64 264	-	-	77	New
Utility Services	Cape Town Electricity: Athlone- Philipi: OH Line Undergrounding	C13.84081	1	yes	Infrastructure - Electricity	Transmission & Reticulation	83 594	-	100	65 924	17 570	-	Multi	Renewal
Utility Services	Cape Town Electricity: System Equipment Replacement: North	C14.84005	1	yes	Infrastructure - Electricity	Transmission & Reticulation	50 000	-	-	50 000	-	-	Multi	Renewal
Utility Services	Cape Town Electricity: Facilities Alterations & Upgrading	C14.84055	1	yes	Other assets	Other Buildings	150 000	-	-	150 000	-	-	Multi	Renewal
Utility Services	Cape Town Electricity: Steenbras: Replace M/G Rotors & Plant Re	C14.84071	1	yes	Infrastructure - Electricity	Transmission & Reticulation	110 000	-	-	30 000	80 000	-	103	Renewal
Utility Services	Cape Town Electricity: Bloemhof: Stores Upgrade	C14.84076	1	yes	Infrastructure - Electricity	Transmission & Reticulation	60 000	-	-	10 000	50 000	-	77	New
Utility Services	Cape Town Electricity: Electrification- Formal & Informal	C14.84390	1	yes	Infrastructure - Electricity	Transmission & Reticulation	91 447	-	-	91 447	-	-	Multi	New
Utility Services	Cape Town Electricity: System Equipment Replacement: North	C15.84005	1	yes	Infrastructure - Electricity	Transmission & Reticulation	53 000	-	-	-	53 000	-	Multi	Renewal
Utility Services	Cape Town Electricity: Facilities Alterations & Upgrading	C15.84055	1	yes	Other assets	Other Buildings	50 000	-	-	-	50 000	-	Multi	Renewal
Utility Services	Cape Town Electricity: Broad Road Phase 3	C15.84071	1	yes	Infrastructure - Electricity	Transmission & Reticulation	50 395	-	-	-	20 465	29 930	103	Renewal
Utility Services	Cape Town Electricity: Bofors Upgrade	C15.84079	1	yes	Infrastructure - Electricity	Transmission & Reticulation	143 740	-	-	-	54 295	88 439	Multi	Renewal
Utility Services	Cape Town Electricity: Oakdale Upgrade Ph 2	C15.84081	1	yes	Infrastructure - Electricity	Transmission & Reticulation	81 631	-	-	-	10 000	71 631	Multi	Renewal
Utility Services	Cape Town Electricity: Electrification- Backyarders	C15.84389	3	yes	Infrastructure - Electricity	Transmission & Reticulation	65 944	-	-	-	65 944	-	Multi	New
Utility Services	Cape Town Electricity: Electrification- Formal & Informal	C15.84390	1	yes	Infrastructure - Electricity	Transmission & Reticulation	75 000	-	-	-	75 000	-	Multi	New
Utility Services	Cape Town Electricity: System Equipment Replacement: East	C16.84004	1	yes	Infrastructure - Electricity	Transmission & Reticulation	53 000	-	-	-	-	53 000	Multi	Renewal
Utility Services	Cape Town Electricity: System Equipment Replacement: North	C16.84005	1	yes	Infrastructure - Electricity	Transmission & Reticulation	58 000	-	-	-	-	58 000	Multi	Renewal
Utility Services	Cape Town Electricity: Facilities Alterations & Upgrading	C16.84055	1	yes	Other assets	Other Buildings	100 000	-	-	-	-	100 000	Multi	Renewal
Utility Services	Cape Town Electricity: Atlantis Industrial	C16.84070	1	yes	Infrastructure - Electricity	Transmission & Reticulation	85 239	-	-	-	-	20 359	Multi	New
Utility Services	Cape Town Electricity: Observatory Upgrade	C16.84073	1	yes	Infrastructure - Electricity	Transmission & Reticulation	95 934	-	-	-	-	7 000	Multi	Renewal

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Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Utility Services	Cape Town Electricity: Electrification (NEP)	C16.84384	1	yes	Infrastructure - Electricity	Transmission & Reticulation	50 000	-	-	-	-	50 000	Multi	New
Utility Services	Cape Town Electricity: Electrification- Backyards	C16.84389	3	yes	Infrastructure - Electricity	Transmission & Reticulation	110 000	-	-	-	-	110 000	Multi	New
Utility Services	Cape Town Electricity: Electrification- Formal & Informal	C16.84390	1	yes	Infrastructure - Electricity	Transmission & Reticulation	85 000	-	-	-	-	85 000	Multi	New
Utility Services	Solid Waste Management: Solid Waste Management Infrastructure	C14.85001	1	yes	Infrastructure Other	Waste Management	50 000	-	-	50 000	-	-	Multi	New
Utility Services	Solid Waste Management: Plant & Vehicles	C14.85004	1	yes	Other assets	Specialised vehicles	63 600	-	-	63 600	-	-	Corp Inf	Renewal
Utility Services	Solid Waste Management: New Transfer Station Infrastructure	C14.85012	1	yes	Infrastructure Other	Waste Management	105 134	-	-	105 134	-	-	Multi	New
Utility Services	Solid Waste Management: New Transfer Station Infrastructure	C15.85000	1	yes	Infrastructure Other	Waste Management	86 664	-	-	-	86 664	-	Multi	New
Utility Services	Solid Waste Management: Plant & Vehicles	C15.85004	1	yes	Other assets	Specialised vehicles	59 000	-	-	-	59 000	-	Corp Inf	Renewal
Utility Services	Solid Waste Management: New Transfer Station Infrastructure	C15.85009	1	yes	Infrastructure Other	Waste Management	50 000	-	-	-	50 000	-	Multi	New
Utility Services	Solid Waste Management: Replacement: Plant & Vehicles	C16.85007	1	yes	Other assets	Specialised vehicles	77 000	-	-	-	-	77 000	Multi	Renewal
Utility Services	Solid Waste Management: New Landfill Site Infrastructure	C16.85014	1	yes	Infrastructure Other	Waste Management	130 000	-	-	-	-	130 000	Multi	New
Utility Services	Water & Sanitation: Kraaifontein/Fisantekraal WWTW	C06.30147	1	yes	Infrastructure - Sanitation	Sewerage purification	53 866	32 156	447	-	-	3 000	103	Renewal
Utility Services	Water & Sanitation: Bellville Wastewater Treatment Works	C06.30170	1	yes	Infrastructure - Sanitation	Sewerage purification	310 730	104 863	112 586	8 000	-	-	9	New
Utility Services	Water & Sanitation: Northern Area Sewer Thornton	C07.00407	1	yes	Infrastructure - Sanitation	Reticulation	151 018	1 051	10 000	90 000	46 000	-	53	New
Utility Services	Water & Sanitation: Main Rd Upgrade M/Berg to Clovelly Rehab	C08.86038	1	yes	Infrastructure - Water	Reticulation	96 970	21 179	12 588	10 000	12 000	-	64	Renewal
Utility Services	Water & Sanitation: Rehab Outfall Sewers Pentz Sandrift m/qu	C09.86015	1	yes	Infrastructure - Sanitation	Reticulation	58 182	480	1 200	5 000	5 000	12 000	Multi	Renewal
Utility Services	Water & Sanitation: Zandvliet WWTW-Extension	C10.86033	1	yes	Infrastructure - Sanitation	Sewerage purification	101 472	422	-	54 050	27 000	20 000	109	Renewal
Utility Services	Water & Sanitation: Philippi Collector Sewer	C11.86060	1	yes	Infrastructure - Sanitation	Reticulation	94 900	-	-	900	2 000	12 000	43	Renewal
Utility Services	Water & Sanitation: Potsdam WWTW - Extension	C11.86063	1	yes	Infrastructure - Sanitation	Sewerage purification	295 553	6 614	1 720	58 300	40 650	55 000	4	Renewal
Utility Services	Water & Sanitation: Bulk Water Augmentation Scheme	C11.86077	1	yes	Infrastructure - Water	Dams & Reservoirs	1 290 623	932	1 700	31 500	69 300	60 000	Multi	New
Utility Services	Water & Sanitation: Macassar WWTW-extension	C12.86059	1	yes	Infrastructure - Sanitation	Sewerage purification	60 000	-	-	-	-	5 000	109	Renewal
Utility Services	Water & Sanitation: Construction of new Head Office	C12.86074	1	yes	Other assets	Other Buildings	254 000	-	350	70 000	96 000	66 000	Multi	New
Utility Services	Water & Sanitation: Northern Regional Sludge Facility	C12.86075	1	yes	Infrastructure - Sanitation	Sewerage purification	487 571	1 000	1 000	-	10 000	75 000	Multi	New
Utility Services	Water & Sanitation: EAM Depot Realignment - 5 Nodal System	C12.86079	1	yes	Other assets	Other Buildings	68 859	2 409	41 449	25 000	-	-	Multi	New

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Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Utility Services	Water & Sanitation: Macassar WWTW Extension (USDG)	C12.86096	1	yes	Infrastructure - Sanitation	Various	111 200	-	9 350	14 400	-	-	109	Renewal
Utility Services	Water & Sanitation: Cape Flats WWTW-Refurbish various struct	C13.86005	1	yes	Infrastructure - Sanitation	Sewerage purification	61 000	-	-	5 000	14 000	17 000	67	Renewal
Utility Services	Water & Sanitation: Mitchels Plain WWTW	C13.86010	1	yes	Infrastructure - Sanitation	Sewerage purification	53 500	-	-	5 500	11 000	18 500	43	Renewal
Utility Services	Water & Sanitation: Cape Flats III	C13.86053	1	yes	Infrastructure - Sanitation	Reticulation	165 096	-	4 371	38 000	80 000	42 725	49	New
Utility Services	Water & Sanitation: Athlone WWTW-Capacity Extension-phase 1	C13.86081	1	yes	Infrastructure - Sanitation	Sewerage purification	80 000	-	-	-	-	40 000	49	New
Utility Services	Water & Sanitation: Replace & Upgr Sewer Network (City wide)	C14.86024	1	yes	Infrastructure - Sanitation	Reticulation	59 500	-	-	59 500	-	-	Multi	Renewal
Utility Services	Water & Sanitation: Replace & Upgr Water Network (city wide)	C14.86025	1	yes	Infrastructure - Water	Reticulation	78 612	-	-	78 612	-	-	Multi	Renewal
Utility Services	Water & Sanitation: Meter Replacement Program	C14.86070	1	yes	Infrastructure - Water	Reticulation	75 000	-	-	75 000	-	-	Multi	Renewal
Utility Services	Water & Sanitation: Replace & Upgr Sewer Network (City wide)	C15.86024	1	yes	Infrastructure - Sanitation	Reticulation	54 000	-	-	-	54 000	-	Multi	Renewal
Utility Services	Water & Sanitation: Development of Additional Infrastructure	C15.86036	1	yes	Infrastructure - Water	Reticulation	55 221	-	-	-	55 221	-	Multi	New
Utility Services	Water & Sanitation: Additional Recourses Desalination Reclai	C15.86043	1	yes	Infrastructure - Water	Reticulation	530 000	-	-	-	20 000	20 000	Multi	New
Utility Services	Water & Sanitation: Upgrade Rietvlei Pumping Station, Rising	C15.86045	1	yes	Infrastructure - Sanitation	Reticulation	72 051	-	-	-	700	32 601	Multi	Renewal
Utility Services	Water & Sanitation: Meter Replacement Program	C15.86056	1	yes	Infrastructure - Water	Reticulation	131 000	-	-	-	131 000	-	Multi	Renewal
Utility Services	Water & Sanitation: Development of Additional Infrastructure	C16.86009	1	yes	Infrastructure - Water	Reticulation	114 812	-	-	-	-	114 812	Multi	New
Utility Services	Water & Sanitation: Meter Replacement Program	C16.86030	1	yes	Infrastructure - Water	Reticulation	205 191	-	-	-	-	205 191	Multi	Renewal
Utility Services	Water & Sanitation: Replace & Upgr Sewer Network (City wide)	C16.86038	1	yes	Infrastructure - Sanitation	Reticulation	68 000	-	-	-	-	68 000	Multi	Renewal
Utility Services	Water & Sanitation: Replace & Upgr Water Network (city wide)	C16.86039	1	yes	Infrastructure - Water	Reticulation	98 060	-	-	-	-	98 060	Multi	Renewal
Utility Services	Various	-	-	yes	Various	Various	-	1 513 986	1 742 660	1 185 651	1 107 526	958 563		
Community Services	Library and Information Services: New Regional Library Kuyasa Khayelitsha	C10.96010	4	yes	Community	Libraries	65 995	4 270	6 283	38 470	16 489	-	97	New
Community Services	Library and Information Services: Books, Perio.&Subsc : Libraries	C12.96029	4	yes	Heritage Assets	Other	53 463	5 442	5 961	6 433	6 424	6 797	Multi	New
Community Services	Various	-	-	yes	Various	Various	-	153 060	179 856	178 221	158 521	147 874		
Transport, Roads and Stormwater	Roads and Stormwater: Pelican Park: Strandfontein Road Upgr	C08.10325	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	220 855	18 829	50 240	1 813	2 600	30 000	66	Renewal
Transport, Roads and Stormwater	Roads and Stormwater: Main Roads: Northern Corridor	C13.10313	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	51 000	-	6 000	5 500	11 000	4 500	Multi	Renewal

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Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
Transport, Roads and Stormwater	Roads and Stormwater: WC: City-wide NMT Plan	C13.10318	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	60 000	-	-	60 000	-	-	Multi	New
Transport, Roads and Stormwater	Roads and Stormwater: Roads & Stormwater Rehabilitation	C14.10316	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	114 100	-	-	114 100	-	-	Multi	Renewal
Transport, Roads and Stormwater	Roads and Stormwater: City-wide NMT Plan	C14.10318	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	75 000	-	-	-	75 000	-	Multi	New
Transport, Roads and Stormwater	Roads and Stormwater: Sir Lowry's Pass River Upgrade	C14.10323	1	yes	Various	Various	60 000	-	-	-	20 000	20 000	100	Renewal
Transport, Roads and Stormwater	Roads and Stormwater: Bulk Roads & Stormwater Housing Project	C15.10306	3	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	50 000	-	-	-	50 000	-	Multi	New
Transport, Roads and Stormwater	Roads and Stormwater: Roads & Stormwater Rehabilitation	C15.10307	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	157 000	-	-	-	157 000	-	Multi	Renewal
Transport, Roads and Stormwater	Roads and Stormwater: NMT Network & Universal Access:PTIS	C16.10307	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	85 000	-	-	-	-	85 000	Multi	New
Transport, Roads and Stormwater	Roads and Stormwater: Roads & Stormwater Rehabilitation	C16.10315	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	85 000	-	-	-	-	85 000	Multi	Renewal
Transport, Roads and Stormwater	Roads and Stormwater: Bulk Roads & Stormwater Housing Project	C16.10316	3	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	55 000	-	-	-	-	55 000	Multi	New
Transport, Roads and Stormwater	Transport: Mitchell's Plain Station TI	C07.01059	1	yes	Infrastructure Other	Transportation	81 105	19 244	11 048	9 500	-	-	78	Renewal
Transport, Roads and Stormwater	Transport: Public Transport Facilities -USDG	C16.00010	1	yes	Infrastructure Other	Transportation	70 000	-	-	-	-	30 000	Corp Inf	New
Transport, Roads and Stormwater	IRT Implementation: Intergrated Bus Rapid Transit System	C09.00313	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	232 677	34 444	13 806	6 588	950	-	Multi	New
Transport, Roads and Stormwater	IRT Implementation: IRT: Depot Infrastructure	C10.00126	1	yes	Various	Various	111 660	7 333	71 124	16 000	1 000	-	54	New
Transport, Roads and Stormwater	IRT Implementation: IRT:WestCoastCorridor	C10.10327	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	797 658	282 394	244 779	32 704	-	-	Multi	New
Transport, Roads and Stormwater	IRT Implementation: IRT: Inner City Feeder Stops	C11.10501	1	yes	Various	Various	202 883	51 060	56 842	54 045	-	-	Multi	New
Transport, Roads and Stormwater	IRT Implementation: IRT: Trunk Stations	C11.10502	1	yes	Various	Various	302 851	78 375	119 376	90 000	14 000	-	Multi	New
Transport, Roads and Stormwater	IRT Implementation: IRT: Atlantis Depot	C11.10505	1	yes	Various	Various	71 991	13 566	53 425	5 000	-	-	32	New
Transport, Roads and Stormwater	IRT Implementation: IRT: Ph 2A Wetton-Lansdowne Corr	C13.10101	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	977 496	-	6 000	45 608	250 000	675 888	Multi	Renewal
Transport, Roads and Stormwater	IRT Implementation: IRT: Phase 2 Express City to Mitch Plain	C13.10102	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	257 790	-	22 790	120 000	105 000	10 000	Multi	Renewal
Transport, Roads and Stormwater	IRT Implementation: IRT: Ph 1B Koeberg-Century City	C13.10103	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	481 140	-	77 909	131 841	271 391	-	Multi	Renewal
Transport, Roads and Stormwater	IRT Implementation: IRT: Ph 1C Houtbay Wynberg	C13.10104	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	115 000	-	-	20 000	85 000	10 000	Multi	Renewal
Transport, Roads and Stormwater	IRT Operations: IRT: Control Centre	C11.10123	1	yes	Various	Various	234 618	134 227	44 101	20 061	30 000	5 000	Multi	New
Transport, Roads and Stormwater	IRT Operations: IRT: Fare Collection	C11.10124	1	yes	Various	Various	421 855	50 884	196 848	95 830	48 696	8 000	Multi	New

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Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
R thousand														
Transport, Roads and Stormwater	IRT Operations: IRT: Vehicle Acquisitions	C11.10125	1	yes	Various	Various	163 254	-	-	163 254	-	-	Corp Inf	New
Transport, Roads and Stormwater	IRT Operations: IRT: Acquisition of Rights	C13.10131	1	yes	Various	Various	826 237	-	552 176	49 061	50 000	175 000	Corp Inf	Renewal
Transport, Roads and Stormwater	IRT Operations: IRT: Vehicle Acquisition	C15.10122	1	yes	Infrastructure - Road transport	Roads, Pavements & Bridges	471 996	-	-	-	146 996	325 000	Corp Inf	New
Transport, Roads and Stormwater	Various	-	-	yes	Various	Various	-	590 437	1 097 134	340 892	290 780	251 700		
Finance	Various	-	-	yes	Various	Various	-	119 902	52 199	10 941	7 172	3 781		
Corporate Services	Specialised Technical Services: Radio Trunking Infrastructure	C07.00621	1	yes	Other assets	Plant & equipment	68 330	2 795	-	1 000	6 000	6 000	Corp Inf	Renewal
Corporate Services	Specialised Technical Services: FM Structural Rehabilitation	C11.12501	1	yes	Other assets	Civic Land and Buildings	308 704	43 528	40 215	39 482	40 000	65 000	77	Renewal
Corporate Services	Information Systems and Technology: Dark Fibre Broadband Infrastructure	C10.16621	1	yes	Other assets	Plant & equipment	595 408	29 813	45 000	72 000	68 000	68 000	Corp Inf	New
Corporate Services	Information Systems and Technology: WCG Broadband Connectivity	C12.16631	1	yes	Other assets	Various	57 241	2 979	22 228	10 000	10 702	11 332	Corp Inf	New
Corporate Services	Various	-	-	yes	Various	Various	-	125 655	127 328	141 410	93 561	93 561		
City Health	Various	-	-	yes	Various	Various	-	22 801	31 899	23 716	17 466	25 466		
Safety & Security	Various	-	-	yes	Various	Various	-	67 079	58 693	40 927	33 127	35 127		
Human Settlements	Existing Settlements: Manenberg CRU Project (1584 units)	C10.15430	3	yes	Community	Social rental housing	252 917	6 089	75 032	100 544	67 848	-	42	Renewal
Human Settlements	Existing Settlements: Hanover Park CRU Project	C10.15433	3	yes	Community	Social rental housing	240 597	38 277	71 891	61 028	24 832	-	47	Renewal
Human Settlements	Existing Settlements: Heideveld CRU Project	C10.15434	3	yes	Community	Social rental housing	127 001	26 984	51 410	30 912	8 868	-	44	Renewal
Human Settlements	Existing Settlements: Marble Flats CRU Project	C10.15435	3	yes	Community	Social rental housing	114 478	29 578	26 681	31 614	7 662	-	66	Renewal
Human Settlements	Existing Settlements: Langa Hostels CRU Project (1300 units)	C11.15418	3	yes	Community	Social rental housing	196 168	-	7 000	87 207	91 170	7 371	51	Renewal
Human Settlements	New Settlements: Bardale / Fairdale: Develop 4000 Units	C06.41540	3	yes	Various	Various	146 763	26 662	7 105	28 000	4 287	-	108	New
Human Settlements	New Settlements: Happy Valley Phase 2 - 1000 Units	C06.41568	3	yes	Various	Various	56 084	13 798	35 000	6 120	-	-	14	New
Human Settlements	New Settlements: Delft - The Hague Housing Project 1400 U	C08.15508	3	yes	Various	Various	63 043	2 868	12 932	20 000	20 000	7 243	13	New
Human Settlements	New Settlements: Imizamo Yethu - Hout Bay Housing Project	C11.15504	3	yes	Various	Various	101 500	-	1 500	-	20 000	20 000	74	New
Human Settlements	New Settlements: Scottsdene New CRU Project - 200 unit	C11.15505	3	yes	Various	Various	80 282	3 600	68 600	8 082	-	-	7	New
Human Settlements	Various	-	-	yes	Various	Various	-	342 870	280 618	243 913	149 249	88 219		
Economic, Environment & Spatial Planning	Various	-	-	yes	Various	Various	-	36 727	43 614	66 507	58 209	62 527		
Tourism, Events and Marketing	Various	-	-	yes	Various	Various	-	62 875	100 954	26 161	25 250	30 250		
Social and Early Childhood Development	Various	-	-	yes	Various	Various	-	9 446	9 390	8 260	13 010	11 010		
Parent Capital expenditure										5 416 684	5 137 705	5 380 129		

Table 83 MBRR Table SA37 - Projects delayed from previous financial year/s

Municipal Vote/Capital project R thousand	Project name	Project number	Asset Class	Asset Sub-Class	Previous target year to complete Year	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
						Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Human Settlements	Existing Settlements: Kew town CRU Project	C10.15431-F1	Community	Social rental housing	2011/12	-	118	-	-	-
Human Settlements	Existing Settlements: Scottsdene SEFP Project Phase 1	C11.15440-F1	Community	Social rental housing	2011/12	133	1 756	-	-	-
Human Settlements	New Settlements: Wallacedene Phase 8 Housing Project	C06.41497-F1	Various	Various	2011/12	-	50	-	-	-
Human Settlements	New Settlements: Wallacedene Phase 7 Housing Project	C06.41498-F1	Various	Various	2011/12	-	45	-	-	-
Human Settlements	New Settlements: Wallacedene Phase 9 (UISP)	C06.41499-F1	Various	Various	2011/12	-	500	-	-	-
Human Settlements	New Settlements: Wallacedene Phase 6 (UISP)	C06.41513-F1	Various	Various	2011/12	-	70	-	-	-
Human Settlements	New Settlements: Philippi East 5 Housing Project	C06.41520-F1	Various	Various	2011/12	-	828	-	-	-
Human Settlements	New Settlements: Site C (PHDB - 6250 Units) Housing Proj	C06.41525-F1	Various	Various	2011/12	10	10	-	-	-
Human Settlements	New Settlements: Wallacedene Ph4(UISP)	C06.41535-F1	Various	Various	2011/12	-	100	-	-	-
Human Settlements	New Settlements: Ocean View - Mountain View Hsg Proj	C06.41570-F2	Various	Various	2011/12	100	6 193	-	-	-
Social and Early Childhood Development	Service Delivery and Facilitation: Extension of Council Facility : Ward 92	C07.01115-F1	Community	Community halls	2011/12	-	3	-	-	-
Social and Early Childhood Development	Service Delivery and Facilitation: Construction of com fac - Ward 92	C08.00358-F1	Community	Community halls	2011/12	-	4	-	-	-
Social and Early Childhood Development	Service Delivery and Facilitation: Construction of Cebo Lomzi Centre	C09.00413-F1	Community	Community halls	2011/12	-	11	-	-	-
Social and Early Childhood Development	Service Delivery and Facilitation: Construction of ECD Centre in Rocklands	C11.17513-F1	Community	Community halls	2011/12	115	115	-	-	-
Social and Early Childhood Development	Service Delivery and Facilitation:Construction of ECD Centre - Leonsdale	C11.17518-F2	Community	Community halls	2011/12	-	922	-	-	-
Social and Early Childhood Development	Service Delivery and Facilitation: Construction of ECD Centres	C12.17508-F1	Community	Community halls	2011/12	-	763	-	-	-
Economic, Environment & Spatial Planning	Environmental Resource Management: Elect Demand Side Mngmnt: Building Light	C12.18420-F1	Other assets	Civic Land and Buildings	2011/12	-	5 294	-	-	-
Economic, Environment & Spatial Planning	Environmental Resource Management: Acquisition of Land	C11.18410-F1	Community	Other	2011/12	17 260	2 300	14 960	-	-
Safety & Security	Law Enforcement and Security Services: Building Improvement	C12.00006-F1	Other assets	Civic Land and Buildings	2011/12	-	163	-	-	-
Safety & Security	Traffic Services: Property Improvement	C07.00688-F1	Other assets	Civic Land and Buildings	2011/12	-	56	-	-	-
Safety & Security	Traffic Services: Property Improvements-City Wide	C11.14701-F1	Other assets	Other Buildings	2011/12	-	20	-	-	-
Safety & Security	Traffic Services: Establishment of Maitland Impoundment Facility	C11.14704-F1	Other assets	Civic Land and Buildings	2011/12	-	1 383	-	-	-
Safety & Security	Fire Stations: Refurbishment	C10.14317-F1	Community	Fire, safety & emergency	2011/12	-	3	-	-	-
Safety & Security	Fire and Rescue Services: Upgrading of Fire Stations	C10.14350-F1	Community	Fire, safety & emergency	2011/12	-	13	-	-	-
Safety & Security	Fire and Rescue Services: Replace Equipment	C12.00058-F1	Other assets	Plant & equipment	2011/12	-	5	-	-	-
Safety & Security	Traffic Services: Upgrade Centre Traffic Services	C12.14722-F1	Other assets	Civic Land and Buildings	2011/12	503	1 006	-	-	-

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Municipal Vote/Capital project	Project name	Project number	Asset Class	Asset Sub-Class	Previous target year to complete	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
						Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Water & Sanitation	Water & Sanitation: SWest Bus Park Main Sewer (lower leg)	C08.86027-F1	Infrastructure - Sanitation	Reticulation	2011/12	-	78	5 500	20 000	4 500
Water & Sanitation	Water & Sanitation: Provision of Sewerage to Croynod	C08.86031-F1	Infrastructure - Sanitation	Reticulation	2011/12	5 500	4 676	-	-	-
Water & Sanitation	Water & Sanitation: Pump Station & Rising Main Du Noon	C09.86014-F1	Infrastructure - Sanitation	Reticulation	2011/12	10 000	1 075	23 000	-	-
Water & Sanitation	Water & Sanitation: Regional resources development	C10.86130-F1	Other assets	Other Buildings	2011/12	3 000	5 307	3 000	3 000	3 000
Water & Sanitation	Water & Sanitation: Remove midblock water network-Bishop Lav	C10.86132-F1	Infrastructure - Water	Reticulation	2011/12	1 000	1 909	4 000	500	-
Water & Sanitation	Water & Sanitation: Repl&Upgr Sew Pumps City wide	C12.86002-F2	Infrastructure - Sanitation	Reticulation	2011/12	-	729	-	-	-
Water & Sanitation	Water & Sanitation: Water Meter Reading equipment	C12.86100-F1	Infrastructure - Water	Reticulation	2011/12	-	6 000	-	-	-
Water & Sanitation	Water & Sanitation: Bulk Water Infrastructure Replacement	C12.86141-F1	Infrastructure - Sanitation	Reticulation	2011/12	-	79	-	-	-
Water & Sanitation	Water & Sanitation: Treated Effluent: Reuse & Inf Upgrades	C12.95018-F1	Infrastructure - Water	Reticulation	2011/12	-	4 747	-	-	-
Water & Sanitation	Water & Sanitation: Pressure Management: COCT	C12.96004-F1	Infrastructure - Water	Reticulation	2011/12	-	57	-	-	-
Corporate Services	Information Systems and Technology Data Centre	C11.16627-F1	Other assets	Other Buildings	2011/12	5 000	7 346	-	-	-
Deputy City Manager	Governance & Interface Work live units Ntlazane Road	C10.96015-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	500	-	-	-
Community Services	Library and Information Services: Replace Mobile Bus Conditional grant	C12.96003-F1	Other assets	General vehicles	2011/12	1 671	1 671	-	-	-
Community Services	Library and Information Services: Library Upgrades and Extensions	C12.96018-F1	Community	Libraries	2011/12	5 000	2 506	7 462	5 000	5 000
Community Services	City Parks: Develop Cemetery: Wallacedene	C06.00280-F4	Community	Cemeteries	2011/12	-	415	-	-	-
Community Services	City Parks: Welmoed Cemetery Development	C09.94001-F4	Community	Cemeteries	2011/12	600	830	1 400	2 500	1 500
Community Services	City Parks: Atlantis Cemetery Upgrade	C09.94014-F2	Community	Cemeteries	2011/12	1 500	1 681	3 500	4 750	-
Community Services	Sport, Recreation and Amenities: Sea Winds Sports Complex Phase 3	C08.95073-F1	Community	Sportsfields & stadia	2011/12	706	66	640	-	-
Community Services	Sport, Recreation and Amenities: Turfhal Stadium Upgrade	C09.95026-F1	Community	Sportsfields & stadia	2011/12	-	59	-	-	-
Community Services	Sport, Recreation and Amenities: Masibambane Hall Additions & Alterations	C10.95071-F1	Community	Community halls	2011/12	1 950	2 658	-	-	-
Community Services	Sport, Recreation and Amenities: Provision of Equipment for facilities	C12.95002-F1	Other assets	Furniture and other office equipment	2011/12	-	12	-	-	-
Community Services	Sport, Recreation and Amenities: Pools: General Upgrade and Improvement	C12.95004-F1	Community	Swimming pools	2011/12	-	43	-	-	-
Community Services	Sport, Recreation and Amenities: Resorts: General Upgrade	C12.95005-F1	Community	Recreational facilities	2011/12	-	14	-	-	-
Community Services	Sport, Recreation and Amenities: Sport and Recreation Facilities Upgrade	C12.95009-F1	Community	Sportsfields & stadia	2011/12	-	165	-	-	-
Transport, Roads & Stormwater	IRT Implementation: Furniture & Computer	C12.10111-F1	Other assets	Furniture and other office equipment	2011/12	-	229	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: CSRM: Lotus Canal Widening: Gugulethu	C05.01092-F1	Infrastructure - Road transport	Storm water	2011/12	2 000	488	1 000	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Flood Alleviation - Lourens River	C05.01503-F1	Infrastructure - Road transport	Storm water	2011/12	1 500	1 132	200	2 300	2 000
Transport, Roads & Stormwater	Roads and Stormwater: Flood Alleviation - Lourens River	C05.01503-F2	Infrastructure - Road transport	Storm water	2011/12	-	589	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: CSRM: Bulk SW Table View North-EFF	C06.01149-F2	Infrastructure - Road transport	Storm water	2011/12	3 000	3 100	1 500	2 000	2 000
Transport, Roads & Stormwater	Roads and Stormwater: WC: Klipfontein PT NMT Scheme: PGWC	C07.10501-F3	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	3 800	4 167	-	-	-

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Municipal Vote/Capital project	Project name	Project number	Asset Class	Asset Sub-Class	Previous target year to complete	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
						Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand					Year					
Transport, Roads & Stormwater	Roads and Stormwater: Nonqubela Minor Rds Phase 2	C08.10280-F2	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	1 478	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Upgr: Gravel St's: Mission Grounds SLP	C08.10283-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	1 000	1 222	1 500	1 500	1 500
Transport, Roads & Stormwater	Roads and Stormwater: Constr: Onverwacht Rd: Broadway to Faure	C08.10318-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	354	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Croydon - Roads & Stormwater	C09.91030-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	3 500	3 600	3 555	3 000	-
Transport, Roads & Stormwater	Roads and Stormwater: Inform Settlements: Tracks & Drainage: IncrUpG	C10.10302-F1	Infrastructure - Road transport	Storm water	2011/12	-	40	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: CSRM General Stormwater projects	C10.10312-F2	Infrastructure - Road transport	Storm water	2011/12	-	804	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Green Point Promenade Upgrade	C11.10311-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	2 300	2 000	3 195	2 000	-
Transport, Roads & Stormwater	Roads and Stormwater: Construct: Roundabout Eisleben & Caravelle	C11.10312-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	286	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: IM: Reconstruct Roads Metro	C11.10331-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	50 982	64 529	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Roads & Stormwater Rehabilitation	C11.10332-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	39 700	52 700	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Prop Acquis - Hardship	C11.10338-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	3 000	4 303	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Unmade Roads: Residential	C11.10343-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	1 000	1 275	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: OPS Upgrading of depot facilities	C11.10344-F1	Other assets	Other Buildings	2011/12	300	484	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Rainfall monitoring equipment	C11.10379-F1	Other assets	Furniture and other office equipment	2011/12	-	1 067	150	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Construct sidewalks in Ward 41	C12.06002-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	33	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Widening of Stock Road Phillipi	C12.10314-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	1 134	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Construction of the Watergate access rd	C12.10323-F2	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	277	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: WC:PT and related Infrastr Upgrade:PGWC	C12.10330-F3	Infrastructure Other	Transportation	2011/12	-	147	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Installation of signage	C12.10346-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	10	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Intersection Upgrades - Balvenie	C12.10363-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	668	-	-	-
Transport, Roads & Stormwater	Roads and Stormwater: Upgrade Athlone Fish Market Facilit	C12.10386-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	345	-	-	-
Transport, Roads & Stormwater	Transport: Traffic Safety Improvements in Ward 88	C10.10591-F1	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	146	-	-	-
Transport, Roads & Stormwater	Transport: Transport Systems Management Projects	C11.10550-F2	Infrastructure - Road transport	Roads, Pavements & Bridges	2011/12	-	139	-	-	-
Transport, Roads & Stormwater	Transport: PTI Upgrades	C12.09426-F1	Infrastructure Other	Transportation	2011/12	-	83	-	-	-

2.14 Legislation compliance status

Compliance with the MFMA implementation requirements has been substantially adhered to through the following activities:

1. Budget and Treasury Office - A budget office and Treasury office has been established in accordance with the MFMA.
2. Budgeting - The annual budget is prepared in accordance with the requirements prescribed by National Treasury and the MFMA.
3. In Year Reporting - 100% compliance with regards to reporting to National Treasury in electronic format on a monthly, quarterly and annual basis.
4. Annual Report - The annual report is prepared in accordance with the MFMA and National Treasury requirements.
5. Municipal Entities - The City currently has only one entity viz. the Cape Town International Convention Centre (CTICC).
6. Internship Programme - The City, in participating in the Municipal Finance Management Internship Programme, has employed a number of interns to undergo training in various finance departments. Three interns completed their two-year training period at the end of March 2007 and have taken up permanent employment within the City's Finance department. Four interns are currently employed in the Treasury department.

2.15 Municipal Entity - Annual Budgets and Service Delivery Agreements (SDA)

The City has one municipal entity namely The Cape Town Convention Centre (CTICC).

Circular 55 stipulated that municipalities with municipal entities produce annual budgets, adjustments budgets and quarterly financial information in consolidated format. National Treasury granted exemption to the City in respect of this requirement until 30 June 2013. The City has made application for exemption and is awaiting feedback from National Treasury.

Annual Budgets and Service Delivery Agreements (SDA)

Table 84 Cape Town Convention Centre (PTY) LTD – Service Delivery Agreement

Period of Agreement	No period stipulated but subject to annual reviews in terms of Section 93A of the Systems Act.
Service Provided	International conference centre
Expiry date of SDA	Not applicable
Monetary value	No current operating funding from the City
Ownership and control	<p><u>Shares:</u> City of Cape Town - 50.2%, Provincial Government of Western Cape - 25.1% SunWest International Pty Ltd - 24.7%</p> <p>The City has voting rights of 66%.</p>
Oversight processes	Shareholding Management Department is a dedicated unit to monitor performance and ensure compliance.
Mandate	Provide a world class international conference centre.
Funding over medium term	Expansion of the Convention Centre is being investigated which could result in an additional funding required. Council approved a contribution not exceeding R550m. Provincial Government Western Cape committed R161m and CTICC is to obtain loan funding of R100m.
Summary of SDA	Sets out the obligations of Convenco and the City in respect of compliance and performance issues.
Link to IDP	Strategic Focus Area 1: Shared Economic Growth and Development
Past performance and future objectives	Has exceeded its targets in the past. Convenco is confident that it will maintain its present levels of bookings despite the world economic downturn, but numbers of delegates may decrease by up to 30%.

Besides the normal operating expenditure, maintenance and depreciation are major operating expenditure items on the Convenco budget. Being in the international service and hospitality business requires that the facilities are always up to international standards. The assets of the conference centre represent a major investment, which attracts substantial depreciation. There is also a policy for regular replacement of fixed assets to maintain the high standards, which results in high capital expenditure every year.

Table 85 Cape Town Convention Centre - Operating Revenue by Source and Operating Expenditure by Type

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating Revenue by Source									
Rental of facilities and equipment	69 331	62 834	64 952	75 690	76 197	73 097	78 111	82 798	88 998
Interest earned - external investments	8 837	7 599	7 420	5 901	7 791	6 739	19 584	11 969	0
Other Income	72 390	82 961	75 385	80 976	81 957	81 957	87 604	92 860	95 839
Total Operating Revenue	150 558	153 394	147 757	162 567	165 945	161 793	185 299	187 627	184 837
Operating Expenditure by Type									
Employee related Cost	28 380	32 342	32 782	37 297	39 163	39 163	41 622	45 546	56 282
Remuneration of Directors	226	236	144	405	250	250	265	281	298
Bad debts	3 065	299	1 599	270	250	250	265	281	372
Depreciation	19 657	36 743	21 537	26 387	24 425	24 425	24 017	20 083	34 366
Repairs and maintenance	28 486	32 340	33 152	41 161	39 468	34 878	40 805	44 285	55 857
Interest paid	0	0	0	0	0	0	0	0	6 499
General expenses	56 494	54 683	51 868	54 642	56 960	58 237	63 216	64 562	65 041
Total Operating Expenditure	136 308	156 643	141 082	160 162	160 516	157 203	170 190	175 038	218 715
Surplus / (Deficit)	14 250	(3 249)	6 675	2 405	5 429	4 590	15 109	12 589	(33 878)

Table 86 Cape Town Convention Centre - Capital Expenditure by Type

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Plant & equipment	1 662	2 892	2 842	3 706	5 856	6 832	6 620	4 335	4 340
Office equipment	5 294	4 323	3 400	4 760	5 877	10 091	15 481	2 595	1 680
Other Land and Buildings	5 410	28 117	11 084	160 020	107 960	123 743	229 015	426 950	121 750
TOTAL CAPITAL EXPENDITURE	12 366	35 332	17 326	168 486	119 693	140 666	251 116	433 880	127 770

2.16 Other supporting documents

Table 87 MBRR Table SA1 - Supporting detail to budgeted financial position

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
REVENUE ITEMS:									
Property rates									
Total Property Rates	4 192 543	5 277 706	5 519 703	6 107 143	6 122 562	6 122 562	6 557 264	7 016 273	7 507 412
less Revenue Foregone	438 118	841 942	897 262	1 076 390	1 054 973	1 054 973	1 129 876	1 208 967	1 293 595
Net Property Rates	3 754 425	4 435 764	4 622 441	5 030 753	5 067 589	5 067 589	5 427 388	5 807 305	6 213 817
Service charges - electricity revenue									
Total Service charges - electricity revenue	5 413 081	6 578 085	8 061 684	8 971 405	9 094 445	9 094 445	9 668 405	10 627 511	11 611 618
less Revenue Foregone									
Net Service charges - electricity revenue	5 413 081	6 578 085	8 061 684	8 971 405	9 094 445	9 094 445	9 668 405	10 627 511	11 611 618
Service charges - water revenue									
Total Service charges - water revenue	1 483 354	1 649 307	1 817 183	2 106 357	2 106 357	2 106 357	2 343 850	2 591 038	2 874 475
less Revenue Foregone									
Net Service charges - water revenue	1 483 354	1 649 307	1 817 183	2 106 357	2 106 357	2 106 357	2 343 850	2 591 038	2 874 475
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	801 003	903 204	1 002 897	1 127 122	1 127 122	1 127 122	1 243 019	1 374 779	1 526 005
less Revenue Foregone									
Net Service charges - sanitation revenue	801 003	903 204	1 002 897	1 127 122	1 127 122	1 127 122	1 243 019	1 374 779	1 526 005
Service charges - refuse revenue									
Total refuse removal revenue	534 545	642 018	710 609	754 862	768 141	768 141	826 118	888 408	977 366
Total landfill revenue	79 906	112 160	102 678	142 062	137 497	137 497	125 668	132 705	140 402
less Revenue Foregone	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue	614 451	754 178	813 287	896 924	905 638	905 638	951 786	1 021 113	1 117 769
Other Revenue by source									
List other revenue by source	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-
Total 'Other' Revenue	1 631 529	1 757 278	1 961 587	1 973 772	1 978 519	1 978 519	2 175 802	2 297 942	2 431 222
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	3 540 694	3 864 352	4 386 721	5 206 450	5 105 682	5 100 764	5 674 210	6 176 547	6 711 211
Pension and UIF Contributions	529 355	619 340	672 305	928 393	898 217	892 267	999 824	1 087 995	1 181 563
Medical Aid Contributions	301 345	352 131	397 452	445 619	445 180	445 180	483 435	524 527	569 637
Overtime	260 779	277 175	310 205	278 736	293 241	293 241	302 073	329 170	355 476
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	156 642	167 839	176 258	182 764	183 220	183 220	193 638	207 904	225 784
Cellphone Allowance	11 734	12 388	12 682	13 534	13 514	13 536	14 031	14 598	15 853
Housing Allowances	43 831	31 315	31 061	30 932	30 906	30 906	28 176	30 571	33 200
Other benefits and allowances	134 769	152 445	154 056	191 258	191 025	191 025	222 558	241 476	262 242
Payments in lieu of leave	55 522	58 258	84 554	124 133	124 133	124 133	130 297	141 373	153 531
Long service awards	59 165	8 156	436	36 256	36 182	36 182	49 059	53 228	57 806
Post-retirement benefit obligations	512 856	601 498	712 420	365 218	373 001	373 001	156 778	170 104	184 733
sub-total	5 606 691	6 144 897	6 938 149	7 803 292	7 694 300	7 683 455	8 254 078	8 977 494	9 751 036
Less: Employees costs capitalised to PPE	19 525	21 129	22 137	25 770	26 562	26 562	26 823	28 723	29 968
Total Employee related costs	5 587 167	6 123 768	6 916 012	7 777 521	7 667 739	7 656 893	8 227 256	8 948 772	9 721 068
Contributions recognised - capital									
List contributions by contract	-	-	-	-	-	-	-	-	-
Total Contributions recognised - capital	68 988	46 728	44 230	57 707	46 588	46 588	53 250	61 142	53 600

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Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	991 348	1 262 098	1 372 098	1 422 591	1 581 891	1 581 891	1 914 841	2 048 879	2 192 301
Lease amortisation	-	-	-	-	-	-	-	-	-
Capital asset impairment	52 040	9 866	27 392	21 505	16 142	16 142	19 900	21 014	22 233
Depreciation resulting from revaluation of PPE	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1 043 389	1 271 965	1 399 490	1 444 096	1 598 033	1 598 033	1 934 741	2 069 894	2 214 534
Bulk purchases									
Electricity Bulk Purchases	3 393 154	4 326 781	5 385 001	6 106 600	6 174 800	6 174 800	6 545 300	7 151 868	7 762 007
Water Bulk Purchases	275 643	293 323	320 262	334 673	334 673	334 673	353 581	393 631	449 988
Total bulk purchases	3 668 797	4 620 105	5 705 263	6 441 273	6 509 473	6 509 473	6 898 881	7 545 500	8 211 995
Transfers and grants									
Cash transfers and grants	94 193	93 382	103 492	50 606	90 343	97 141	44 448	56 487	55 941
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
Total transfers and grants	94 193	93 382	103 492	50 606	90 343	97 141	44 448	56 487	55 941
Contracted services									
List services provided by contract	-	-	-	-	-	-	-	-	-
Contracted Services	2 225 283	1 903 204	2 078 947	2 536 569	2 715 201	2 717 915	3 127 140	3 191 200	3 427 580
Labour Brokers	133 035	84 765	40 959	31 011	69 843	71 932	59 260	59 725	62 968
Contracted Services ex Payroll	19 832	22 300	73 756	12 266	47 843	47 764	23 225	24 340	25 561
sub-total	2 378 150	2 010 269	2 193 662	2 579 846	2 832 886	2 837 610	3 209 625	3 275 265	3 516 109
Total contracted services	2 378 150	2 010 269	2 193 662	2 579 846	2 832 886	2 837 610	3 209 625	3 275 265	3 516 109
Other Expenditure By Type									
Collection costs	167 822	174 754	166 379	182 830	179 040	179 040	191 420	202 139	213 863
Contributions to 'other' provisions	27 162	2 977	(58 822)	33 000	(39 265)	(39 265)	(39 000)	(41 184)	(43 573)
Consultant fees	100 860	141 440	147 364	167 073	244 222	248 039	225 552	263 754	207 725
Audit fees	16 434	16 339	15 158	17 157	17 157	17 157	17 500	18 480	19 552
General expenses	1 959 769	2 331 383	2 718 632	3 390 564	3 129 868	3 126 045	795 201	901 774	957 275
Indigent Relief : Refuse	-	-	-	-	-	-	240 842	254 329	269 081
Security Services & Charges	-	-	-	-	-	-	225 242	252 856	251 652
Grants and Donations Housing PHP Payment	-	-	-	-	-	-	200 000	100 000	200 000
Fuel (Petrol, Diesel and Fuel Oil)	-	-	-	-	-	-	184 097	194 406	205 681
Indigent Relief : R20 (07/08 = R30)	-	-	-	-	-	-	146 996	155 228	164 231
Chemicals	-	-	-	-	-	-	145 799	153 964	162 894
Grants and Donations Labour to Operating	-	-	-	-	-	-	145 150	138 949	149 820
Grants and Donations Projects	-	-	-	-	-	-	114 085	188 589	372 430
MIDS/CIDS	-	-	-	-	-	-	110 868	117 077	123 867
Projects	-	-	-	-	-	-	107 848	135 579	152 890
Electricity	-	-	-	-	-	-	99 732	110 059	123 416
Licenses & Permits	-	-	-	-	-	-	98 288	103 792	109 812
Telecommunication Services	-	-	-	-	-	-	96 705	102 120	108 043
Hire of LDV, P/Van, Bus, Special Vehicle	-	-	-	-	-	-	84 030	88 736	93 882
Grants & Donations Vaccines	-	-	-	-	-	-	79 995	83 994	65 329
600240 - R&M Vehicles to Operating	-	-	-	-	-	-	73 800	80 147	87 200
Training	-	-	-	-	-	-	73 101	77 194	81 672
Printing Stationery & Photographic	-	-	-	-	-	-	66 806	70 547	74 638
Rental	-	-	-	-	-	-	60 082	63 446	67 126
Minor Tools , Equipment & Other	-	-	-	-	-	-	55 074	58 158	61 531
Levy: Skills Development	-	-	-	-	-	-	52 590	55 535	58 756
Total 'Other' Expenditure	2 272 047	2 666 893	2 988 712	3 790 624	3 531 021	3 531 016	3 651 802	3 929 670	4 338 795
Repairs and Maintenance									
by Expenditure Item									
Employee related costs	0	406 268	446 891	960 451	945 862	945 862	1 165 808	1 266 075	1 377 490
Other materials	-	200 892	180 350	305 208	243 415	243 415	263 900	286 690	311 816
Contracted Services	68	995 374	1 088 586	1 193 519	1 301 084	1 301 114	1 358 513	1 488 096	1 608 176
Other Expenditure	1 577 652	106 746	167 226	131 960	131 738	131 738	140 087	152 566	165 513
Total Repairs and Maintenance Expenditure	1 577 720	1 709 280	1 883 053	2 591 137	2 622 099	2 622 129	2 928 309	3 193 427	3 462 995

Table 88 MBRR Table SA2 - Matrix financial performance budget (revenue source / expenditure type and department)

Description	Vote 1 - City Health	Vote 2 - City Manager	Vote 3 - Community Services	Vote 4 - Corporate Services	Vote 5 - Deputy City Manager	Vote 6 - Economic, Environment & Spatial Planning	Vote 7 - Finance	Vote 8 - Human Settlements	Vote 9 - Rates & Other	Vote 10 - Safety & Security	Vote 11 - Social and Early Childhood Development	Vote 12 - Tourism, Events and Marketing	Vote 13 - Transport, Roads and Stormwater	Vote 14 - Utility Services	Total
Revenue By Source															
Property rates	-	-	-	-	-	-	-	-	5 427 388	-	-	-	-	-	5 427 388
Property rates - penalties & collection charges	-	-	0	-	-	-	0	-	99 720	-	-	-	-	-	99 720
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	9 668 405	9 668 405
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	2 343 850	2 343 850
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	1 243 019	1 243 019
Service charges - refuse revenue	-	-	5	-	-	-	-	-	-	175	-	-	-	951 606	951 786
Service charges - other	223	-	17 323	416	5	84 534	10 852	10 724	-	9 712	304	4 379	41 788	60 020	240 280
Rental of facilities and equipment	-	-	27 883	465	-	28	100 544	190 776	-	193	94	15 764	11	422	336 179
Interest earned - external investments	-	-	-	-	-	-	269 849	14 760	-	5	-	-	0	3	284 618
Interest earned - outstanding debtors	-	-	-	-	-	83	391	-	-	501	-	0	0	246 474	247 448
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	20	-	3 173	-	-	1 269	-	-	-	177 073	3	100	21	-	181 659
Licences and permits	671	-	1 248	-	-	1 092	-	-	-	31 425	-	15	1 151	-	35 601
Agency services	-	-	-	-	-	-	111 000	-	-	10 993	-	-	-	-	121 993
Other revenue	2 365	-	591	25 555	3 000	750	131 802	5 812	1 895 992	51	0	123	15 744	94 017	2 175 802
Transfers recognised - operational	416 357	-	25 667	-	32 080	2 345	4 629	587 728	1 182 049	4 386	-	62 000	320 059	-	2 637 300
Gains on disposal of PPE	-	-	-	1 500	-	-	61 000	2 000	-	-	-	-	-	4 500	69 000
Total Revenue (excluding capital transfers and contributions)	419 636	-	75 889	27 936	35 084	90 101	690 066	811 800	8 605 150	234 513	401	82 380	378 774	14 612 317	26 064 049

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Description	Vote 1 - City Health	Vote 2 - City Manager	Vote 3 - Community Services	Vote 4 - Corporate Services	Vote 5 - Deputy City Manager	Vote 6 - Economic, Environment & Spatial Planning	Vote 7 - Finance	Vote 8 - Human Settlements	Vote 9 - Rates & Other	Vote 10 - Safety & Security	Vote 11 - Social and Early Childhood Development	Vote 12 - Tourism, Events and Marketing	Vote 13 - Transport, Roads and Stormwater	Vote 14 - Utility Services	Total
R thousand															
Expenditure By Type															
Employee related costs	563 466	2 639	831 689	646 079	333 319	368 226	594 164	293 129	109 340	1 254 457	38 723	84 032	533 863	2 574 131	8 227 256
Remuneration of councillors	-	-	-	-	123 721	-	-	-	-	-	-	-	-	-	123 721
Debt impairment	-	-	-	-	-	-	12 249	119 820	284 103	-	-	-	-	578 896	995 068
Depreciation & asset impairment	7 801	249	87 089	231 588	7 496	19 492	14 275	73 670	-	42 736	2 106	193 555	401 017	853 668	1 934 741
Finance charges	-	-	-	-	-	-	831 894	-	-	-	-	-	-	32 000	863 894
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	6 898 881	6 898 881
Other materials	2 986	9	10 857	24 544	525	684	1 474	15 679	-	4 684	408	1 046	48 466	247 210	358 573
Contracted services	21 637	69	312 419	285 351	91 435	45 999	22 953	265 954	-	33 137	22 086	169 700	757 266	1 181 619	3 209 625
Transfers and grants	2 142	-	-	-	336	31 504	6 263	-	-	-	-	4 202	-	-	44 448
Other expenditure	241 093	11 673	147 832	389 509	164 214	29 121	372 783	419 925	428 779	169 292	13 307	70 048	178 418	1 015 807	3 651 802
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	839 126	14 640	1 389 886	1 577 070	721 045	495 026	1 856 055	1 188 177	822 222	1 504 305	76 631	522 583	1 919 030	13 382 212	26 308 008
Surplus/(Deficit)	(419 490)	(14 640)	(1 313 996)	(1 549 134)	(685 961)	(404 925)	(1 165 990)	(376 377)	7 782 928	(1 269 791)	(76 230)	(440 202)	(1 540 256)	1 230 105	(243 958)
Transfers recognised - capital	13 500	-	150 098	10 000	11 000	9 820	-	507 498	-	-	-	5 549	1 258 734	501 387	2 467 587
Contributions recognised - capital	-	-	3 000	5 000	-	-	-	-	-	-	-	-	2 150	43 100	53 250
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(405 990)	(14 640)	(1 160 898)	(1 534 134)	(674 961)	(395 105)	(1 165 990)	131 121	7 782 928	(1 269 791)	(76 230)	(434 653)	(279 371)	1 774 591	2 276 878

Table 89 MBRR Table SA3 - Supporting detail to Statement of Financial Position

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
ASSETS									
Call investment deposits									
Call deposits < 90 days	4 372 926	3 005 162	3 194 327	4 523 511	7 458 973	7 458 973	5 958 732	6 805 069	6 892 593
Other current investments > 90 days	59 876	2 146 596	2 883 387	-	-	-	6 800	-	-
Total Call investment deposits	4 432 802	5 151 758	6 077 714	4 523 511	7 458 973	7 458 973	5 965 532	6 805 069	6 892 593
Consumer debtors									
Consumer debtors	6 660 840	7 524 644	8 160 512	9 924 991	9 159 538	9 159 538	10 392 907	11 705 213	13 102 898
Less: Provision for debt impairment	(3 299 430)	(3 815 533)	(4 181 256)	(5 846 143)	(5 180 282)	(5 180 282)	(6 175 552)	(7 240 411)	(8 376 790)
Total Consumer debtors	3 361 410	3 709 111	3 979 256	4 078 849	3 979 256	3 979 256	4 217 354	4 464 803	4 726 108
Debt impairment provision									
Balance at the beginning of the year	3 079 562	3 299 430	3 815 533	4 855 117	4 181 256	4 181 256	5 180 282	6 175 552	7 240 411
Contributions to the provision	598 836	788 795	802 975	991 026	999 026	999 026	995 271	1 064 858	1 136 380
Bad debts written off	(378 968)	(272 692)	(437 252)	-	-	-	-	-	-
Balance at end of year	3 299 430	3 815 533	4 181 256	5 846 143	5 180 282	5 180 282	6 175 552	7 240 411	8 376 790
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	29 331 910	32 233 122	36 702 555	42 274 941	42 613 274	42 613 274	47 759 124	52 639 944	57 751 066
Leases recognised as PPE	398 121	234 370	-	234 370	-	-	-	-	-
Less: Accumulated depreciation	9 652 945	10 850 778	12 179 603	13 672 498	13 623 699	13 623 699	15 558 440	17 628 334	19 842 868
Total Property, plant and equipment (PPE)	20 077 086	21 616 714	24 522 952	28 836 813	28 989 575	28 989 575	32 200 684	35 011 610	37 908 198
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities	361 475	305 353	294 186	370 393	563 763	563 763	478 860	468 369	603 138
Total Current liabilities - Borrowing	361 475	305 353	294 186	370 393	563 763	563 763	478 860	468 369	603 138
Trade and other payables									
Trade and other creditors	3 062 887	3 321 917	3 783 153	3 127 955	4 126 874	4 126 874	4 486 198	4 330 999	4 129 234
Unspent conditional transfers	1 048 440	1 108 680	1 665 752	1 162 749	1 731 982	1 731 982	1 826 081	1 912 796	2 035 216
VAT	51 161	57 368	57 756	69 415	63 532	63 532	69 885	76 873	84 561
Total Trade and other payables	4 162 488	4 487 965	5 506 661	4 360 119	5 922 387	5 922 387	6 382 164	6 320 668	6 249 011
Non current liabilities - Borrowing									
Borrowing	5 479 274	5 343 836	5 176 421	6 975 308	7 243 313	7 243 313	6 493 327	8 270 460	9 208 496
Finance leases (including PPP asset element)	61 767	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing	5 541 041	5 343 836	5 176 421	6 975 308	7 243 313	7 243 313	6 493 327	8 270 460	9 208 496
Provisions - non-current									
Retirement benefits	2 388 826	2 857 172	3 370 547	3 567 712	3 743 548	3 743 548	3 900 326	4 070 430	4 255 163
List other major provision items	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation	361 386	342 871	328 839	386 039	361 839	361 839	393 839	427 631	463 383
Other	298 902	312 294	376 815	415 871	412 997	412 997	462 055	515 284	573 090
Total Provisions - non-current	3 049 114	3 512 337	4 076 201	4 369 622	4 518 383	4 518 383	4 756 220	5 013 344	5 291 636

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City of Cape Town 2013/14 Annual Budget and MTREF

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand									
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance	10 421 129	12 485 228	14 369 652	14 821 668	16 895 822	16 895 822	20 263 916	22 712 814	24 938 463
GRAP adjustments	41 688	92 283	-	-	-	-	-	-	-
Restated balance	10 462 817	12 577 511	14 369 652	14 821 668	16 895 822	16 895 822	20 263 916	22 712 814	24 938 463
Surplus/(Deficit)	2 105 575	1 732 180	2 507 284	2 874 060	3 199 121	3 199 121	2 276 878	2 148 842	2 185 577
Appropriations to Reserves	(921 437)	(527 936)	(720 503)	2 217 644	210 081	210 081	194 355	100 437	-
Transfers from Reserves	838 274	587 895	739 389	(41 168)	(41 108)	(41 108)	(22 334)	(23 631)	(57 084)
Depreciation offsets	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	12 485 229	14 369 650	16 895 822	19 872 204	20 263 916	20 263 916	22 712 814	24 938 463	27 066 956
Reserves									
Housing Development Fund	531 472	539 070	521 463	588 769	548 896	548 896	557 131	565 202	574 403
Capital replacement	1 180 916	1 186 371	1 274 073	607 107	1 063 992	1 063 992	869 637	769 200	799 772
Self-insurance	658 175	585 163	496 182	611 673	509 858	509 858	523 957	539 517	556 828
Other reserves	-	-	-	104 393	80 124	80 124	84 207	91 318	96 622
Revaluation	-	-	-	-	-	-	-	-	-
Total Reserves	2 370 563	2 310 604	2 291 718	1 911 942	2 202 869	2 202 869	2 034 932	1 965 237	2 027 625
TOTAL COMMUNITY WEALTH/EQUITY	14 855 792	16 680 254	19 187 540	21 784 145	22 466 785	22 466 785	24 747 746	26 903 699	29 094 581

Table 90 MBRR Table SA9 - Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	1996 Census	2001 Census	2007 Survey	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population	Stats SA and estimates	2 563	2 893	3 497	3 713	3 740	3 947	4 061	4 179	-	-
Females aged 5 - 14	Stats SA and estimates	240	260	287	348	276	344	345	355	-	-
Males aged 5 - 14	Stats SA and estimates	241	258	284	351	282	367	356	366	-	-
Females aged 15 - 34	Stats SA and estimates	496	572	654	687	707	746	762	784	-	-
Males aged 15 - 34	Stats SA and estimates	473	540	632	693	707	715	754	776	-	-
Unemployment	Stats SA and estimates	19.6%	29.2%	24.5%	24.3%	24.9%	23.8%	NA	NA	-	-
Monthly household income (no. of households)											
No income	Stats SA	38 391	101 953	52 446	10 683	146 517	NA	NA	NA	-	-
R1 - R1 600	Stats SA	NA	200 414	144 873	122 708	185 068	NA	NA	NA	-	-
R1 601 - R3 200	Stats SA	NA	130 846	122 611	203 160	170 824	NA	NA	NA	-	-
R3 201 - R6 400	Stats SA	NA	133 588	121 268	213 975	154 427	NA	NA	NA	-	-
R6 401 - R12 800	Stats SA	NA	109 609	103 587	165 641	139 348	NA	NA	NA	-	-
R12 801 - R25 600	Stats SA	NA	67 529	87 974	NA	126 625	NA	NA	NA	-	-
R25 601 - R51 200	Stats SA	NA	23 091	52 892	NA	92 860	NA	NA	NA	-	-
R52 201 - R102 400	Stats SA	NA	5 470	18 249	NA	38 018	NA	NA	NA	-	-
R102 401 - R204 800	Stats SA	NA	3 028	5 355	NA	9 749	NA	NA	NA	-	-
R204 801 and over	Stats SA	NA	1 861	3 429	NA	5 065	NA	NA	NA	-	-
Unspecified	Stats SA	NA	-	189 593	112 934	73	NA	NA	NA	-	-
Household/demographics (000)											
Number of people in municipal area	Stats SA	-	-	-	-	-	-	-	-	-	-
Number of poor people in municipal area	Estimates	2 563	2 893	3 497	3 713	3 740	3 947	4 061	4 179	-	-
Number of households in municipal area	Stats SA	547	1 125	1 240	1 178	1 758	NA	NA	NA	-	-
Number of poor households in municipal area	Stats SA	653	777	902	1 061	1 069	1 106	1 145	1 185	-	-
Definition of poor household (R per month)	Stats SA	139	302	320	337	502	NA	NA	NA	-	-
		Household income < R1001	Household income < R1601	Household income < R3201	Household income < R3201	Household income < R3201	-	-	-	-	-
Housing statistics											
Formal	Stats SA and estimates	517 423	599 792	748 631	832 857	837 533	873 718	904 298	935 949	-	-
Informal	Stats SA and estimates	128 869	159 768	144 116	212 193	223 139	221 194	228 936	236 949	-	-
Total number of households		646 292	759 560	892 747	1 045 050	1 060 672	1 094 912	1 133 234	1 172 898	-	-
Dwellings provided by municipality		-	-	-	8 950	7 723	7 141	9 000	9 000	-	-
Dwellings provided by province/s		-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector		-	-	-	10 724	8 169	-	-	-	-	-
Total new housing dwellings		-	-	-	19 674	15 892	7 141	9 000	9 000	-	-
Economic											
Inflation/inflation outlook (CPIX)		-	-	-	8.0%	5.6%	4.00%	5.4%	5.6%	5.6%	5.8%
Interest rate - borrowing		-	-	-	11.6%	11.5%	11.8%	10.0%	10.1%	10.6%	10.9%
Interest rate - investment		-	-	-	9.9%	7.2%	5.6%	6.0%	5.0%	5.4%	5.9%
Remuneration increases		-	-	-	11.5%	10.4%	12.90%	8.1%	8.8%	8.5%	8.6%
Consumption growth (electricity)		-	-	-	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)		-	-	-	1.0%	0.5%	1.50%	1.0%	1.0%	1.0%	1.0%
Collection rates											
Property tax/service charges		-	-	-	94.7%	95.0%	97.9%	95.2%	9.6%	9.6%	9.6%
Rental of facilities & equipment		-	-	-	68.5%	76.7%	87.5%	87.5%	87.5%	87.5%	87.5%
Interest - external investments		-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors		-	-	-	95.0%	96.0%	96.0%	96.0%	97.0%	97.0%	97.0%
Revenue from agency services		-	-	-	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%

Table 91 MBRR Table SA32 - List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement
		Number			R thousand
Emerging Contracts (various)	Yrs/ Mths	ongoing	Clearing of Alien Vegetation	ongoing	900
BCA Training (Pty) Ltd, Effective Human Intervention CC, CFG Projects CC t/a Zyl & Associates Nokwinda Yidlani Trading and Projects CC	Mths	15	Provision of a service Provider:Contract Management Related Training for Infrastructure Projects	30 June 2014	4 700
1. Ntleteni Construction and Maintenance Cleaning CC 2. Abaphumeleli Trading 1149 CC 3. Green Guerrillas (Pty) Ltd 4. Mawose Manufacturers CC 5. Linose Trading CC 6. Golden Rewards 618 CC t/a Dynamic Initiatives	Mths	28	Provision of Refuse Collection and Area Cleansing Services in Doornbach Informal Settlement	30 June 2015	2 050
	Mths	31	Provision of Community Based Refuse Collection and Area Cleaning Services in Khayelitsha	30 June 2015	25 000
Masiqhame Trading 729 CC	Mths	32	Provision of Community Based Refuse Collection and Area Cleaning Services in Mfuleni	30 June 2015	2 400
Inyameko Trading 675 CC	Mths	32	Provision of Community Based Refuse Collection and Area Cleaning Services in Nomzamo Lwandle	30 June 2015	1 500
1. Yonke Imihla Building Solutions CC t/a Quality Fencing Suppliers - Main Contractor (4600003176) 2. Mhoko's Waste Removals CC - Alternative contractor (4600003180)	Mths	26	Period Tender for the Provision of a Conventional Refuse Collection Service in Delft/Mfuleni and surrounding Areas	30 June 2015	40 500
Mhoko's Waste Removal CC t/a Mhoko's Waste & Security Services (Main Contractor) (4600003179)	Mths	27	Period Tender for the Provision of a Conventional Refuse Collection Service in Kraaifontein, Bloekombos & Wallacedene and surrounding Areas	30 June 2015	35 000
Chipcor Construction (Pty) Ltd t/a Chippa Waste Management (4600003177) SSI Engineers and Environmental Consulting (Pty) Ltd, Du Toit Environmental CC t/a the Environmental Partnership, Environmental Planning and Resource Management Services t/a Resource Management Services, Sillito Environmental Consulting CC Ingerop South Africa (Pty) Ltd	Mths	18	Appointment of Environmental Assessment Practitioners (EAP's) to Perform Basic Assessments and Waste Management Licensing for Six Existing and Proposed City Solid Waste Drop-Off Facilities (Phase 2)	30 June 2014	1 360
	Mths	28	Provision of professional services to provide the independent chairperson and associated administrative services for the monitoring committees established at the three landfill sites and three refuse transfer stations	30 June 2015	700 (excl. VAT)
EBESA SW JV	Mths	33	Provision of Professional Services: Bellville North Reservoir: The Planning, Design, tender document, construction monitoring of various Solid Waste Depots and Drop OFF Facilities within the City of Cape Town	30 June 2015	1 000
OCS-Odour Control Solutions CC t/a OCS	Mths	32	Provision of Odour Neutralisation Service at Various Solid Waste Facilities	30 June 2015	7 000
Akura Manufacturing Engineering Company (Pty) Ltd	Mths	32	Period Tender for the Refurbish and Re-Paint Bulk Waste Containers to Specification at Athlone Refuse Transfer Station	30 June 2015	2 000
BKS (Pty) Ltd	Mths	22	Provision of Professional Engineering Services for the Design & Construction of Remediation measures for the Atlantis & Kraaifontein Landfill Sites	30 June 2014	3 992
Waste-Mart CC	Mths	35	Transportation of Containerised Solid Waste from the Swartklip Refuse Transfer Station to Vissershok landfill site	30 June 2015	30 000
Imvusa Trading 2361 CC, Ntoenhle Trading Enterprise CC and Southern Ambition 132 CC t/a Sokipa Services	Mths	27	Cleaning and Greasing of Specialised Heavy Plant at Landfill Sites and Depot	30 June 2014	6 000
CCA Environmental (Pty) Ltd-R589 439.18	Mths	27	Provision of Basic Assessment and Waste Management Licencing Services for Waste Facilities at Swartklip, Faure and Atlantis	30 June 2014	Various
Jeffares & Green (Pty) Ltd- R703 697.50					
WorleyParsons Incorporating KV3 Engineers-R623 117.00 Spazatainer South Africa CC	Mths	27	Supply,Delivery and Installation , Moving and Repair of Used Marine Shipping Containers	30 June 2014	2 000
SLR Consulting South Africa Pty Ltd	Mths	18	Professional Services in relation to clean development mechanism (CDM)- Landfill Gas Extraction and Beneficial utilisation and potential other CDM projects	30 June 2013	2 812
Jeffares and Green (Pty) Ltd	Mths	33	Provision of Professional Services External Compliance Audits of Solid Waste Management Facilities	30 June 2014	677 (excl. VAT)
Jetvac South Africa (Pty) Ltd (Alternative Contractor - Quetzal Trading 116 CC)	Mths	28	Cleaning of Pump Station Wetwells	11 February 2013	3 000
Sight Lines Pipe Survey Service (A Division of Wasteman Holdings (Pty) Ltd, Peninsula Pipeline Services CC Developmentnomics (Pty) Ltd	Mths	28	Cleaning / Desilting of Sewer Sandtraps (City Wide)	25 January 2013	2 000
	Mths	28	Provision of Service Provider: To Conduct a Survey for Water and Sanitation on Customer Perception and Satisfaction	21 January 2013	1 450
Umtha Strategy and Development Consultancy	Mths	24	Provision of Service Providers: Water Demand Management – Community Engagement City Wide	17 January 2013	20 000
Enviroserv Waste Management (Pty) Ltd Waste-Mart CC	Mths	28	Removal, transportation and disposal of grit and screenings from various wastewater treatment works	01 January 2013	26 800
BKS (Pty) Ltd	Mths	36	Provision of Professional Services: Condition Assessment and Rehabilitation of Bulk Sewer in the Blaauwberg and Milnerton area	13 December 2012	1,163 (excl. VAT)
Reflect All Compressors CC	Mths	30	Inspection and Testing of Pressure Vessels	01 December 2012	6 000
BKS (Pty) Ltd	Mths	36	Provision of professional services - rehabilitation of Langa collector sewer	23 November 2012	726
Malutsa (PTY) Ltd	Mths	32	Maintenance of Ultraviolet Disinfection Plant and Equipment making provision for scheduled services, repairs and spares for Potsdam and Bellville Waste Water Treatment Plants.	01 November 2012	3 500
Vela VKE Consulting Engineers (Pty) Ltd	Mths	24	Provision a professional services Trappies sewer project : investigations and preliminary designs	07 May 2012	632 (excl. VAT)

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External mechanism Name of organisation	Yrs/ Mths	Period of agreement	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement
		Number			R thousand
Bergstan South Africa Consulting and Development Engineers	Mths	36	Provision of Professional Services: Sludge Dewatering and Sludge Handling Facilities at Various Wastewater Treatment Plants and A Mobile Sludge Dewatering Unit	07 May 2012	4,166 (ex cl. VAT)
Lukhozi Consulting Engineers (Pty) Ltd P O Box 23725 Claremont 7735	Mths	24	Provision of Professional Services: Final Design, Tender Documents and Supervision of Construction Work for the New Rest Sewer Rectification	20 April 2012	1,346 (ex cl. VAT)
Ariya Project Managers (Pty) Ltd	Mths	26	Provision of Professional Services: Design, Contract Administration & Monitoring, & Conducting an EIA study for Civil, Building, Mechanical & Electrical Works at Various Depots for the Engineering & Asset Management Branch	18 April 2012	7,614 (ex cl. VAT)
BKS (Pty) Ltd	Mths	26	Provision of Professional Services: Detailed design, tender documents and supervision of construction work for the Cape Flats 3 Bulk Sewer	13 April 2012	3 833
Information and Consulting Engineering Group (Pty) Ltd t/a ICE Group	Mths	27	Provision of Professional Services: Bellville North Reservoir: The Planning, Design, tender document, contract, administration and site supervision for the construction of a new 5MI reservoir to the Bellville North Water Supply System	19 March 2012	488 (ex cl. VAT)
Information and Consulting Engineering Group (Pty) Ltd t/a ICE Group	Mths	33	Provision of Professional Services: Bellville North Reservoir: Du Noon Sewer Pump Station and rising main: The Planning, Design, tender document, contract, administration and site supervision for the construction of a new sewer Pump station and Rising main	19 March 2012	1,332 (ex cl. VAT)
SSI Engineering and Environmental Consultants (Pty) Ltd	Mths	27	Provision of a professional service: Implementation of strategies to eliminate ingress of stormwater to sewer in part of the COCT sewer network	08 March 2012	6 715
Water & Wastewater Engineering (Pty) Ltd, Jeffares and Green (Pty) Ltd, SSI Engineers and Environmental Consultants (Pty) Ltd	Mths	Various	Provision of Professional Services: Preliminary Design, Detailed Design and Contract Supervision of Civil, Mechanical and Electrical Work at Various Wastewater Treatment Plants	Various	Various
JV Esri South Africa (Pty) Ltd and Giscoe (Pty) Ltd	Mths	28	Field Recording and GIS Data Capture of Electrical Plant and Rectification	30 June 2015	Estimated at 27.5 million over 3 years
Quick Project Management Services CC	Mths	10	Cleaning Services for Customer Support Services	31 December 2013	-
Elex Umbane (Pty) Ltd t/a Elex Khanyisa	Mths	28	Replacement of prepayment meters	30 June 2015	Estimated at R10 million per annum
Light-Be Construction and Maintenance (Pty) Ltd	Mths	24	Design, Manufacture, Supply, Installation, Removal and Maintenance of Festive Lighting for the City of Cape Town	12 December 2014	5 800
CA Davuds T/A Davids Tool Hire, Lawnmower and Garden Centre	Mths	33	Grounds and horticultural Maintenance at Steenbras Power Station	30 June 2015	3 000
Hazard Bonako Cape (Pty) Ltd	Mths	24	Supply and Fitment of Light Emitting Diode (LED) Lights onto City of Cape Town Vehicles	08 October 2014	Various
Phambili Merz (Pty) Ltd	Mths	33	Period tender for provision of Professional Services: Quality Assurance inspection of Switchgear and Ancillary Equipment	30 June 2015	-
Activate Marketing Procurement Specialists CC T/A Activate Marketing	Mths	24	Supply and Installation of GPS Navigational Units Mounted on Vehicles and Motorcycles (Global Positioning System)	16 September 2014	Various
Inyameko Trading 675 CC	Mths	24	Cleaning Services at Steenbras Power Station	30 June 2014	410
De Kock and Cronje CC	Mths	24	Medium Voltage Switchgear Maintenance, On the Job Training & Assessment, Writing of Maintenance Manuals and Task Lists for the City of Cape Town's Electricity Area of Supply	30 June 2014	30 000
Pragma Africa (Pty) Ltd P O Box 3971 Tyger Valley 7536	Mths	36	Implementation of new and maintaining of existing Infrastructure Reliability Engineering Centres and physical Infrastructure Reliability Engineering for the City of Cape Town, Technical Support Services	30 June 2015	Various
Kuntwela Ezansi Ventures CC T/A Kev Accurate Measuring Meterwise Enterprises CCC and A Johnson Meter Readers CC	Mths	36	Electricity Meter Reading, Delivery of warning Notices to Disconnect supply, Disconnection and Reconnection, effective Disconnections and special investigations to address data purification and meter reading problems	30 June 2015	24 000
Milford Construction CC	Mths	24	Painting of Substation Buildings and City of Cape Town Facilities	31 May 2014	3 000
Shuaib Manjra Medical Consultant CC	Mths	12	The Provision of Occupational Health Care Services	30 March 2013	8,200 (ex cl. VAT)
Main Contractor: GRCT Consortium: Golden Rewards 1852 CC and Coalition Trading 760 CC	Mths	28	Cleaning Services at Block B, Bloemhof Centre, Bellville	30 June 2014	800
Alternative Contractor: Greystone Trading 389 CC T/A Pronto Kleen Cleaning Services and City Security Services 1.Northlink College 2.False Bay College for further Education and Training .	Mths	24	Provision of Training by accredited further education and training provider: Accredited Apprenticeship competency based modular training (CBMT) Programme for various trades	16 January 2014	Various
Doble Engineering Africa Ltd for Item 1 Phambili Merz (Pty) Ltd for item 2 & 3.	Mths	31	Provision of Professional Services; Quality Assurance of Power Transformers (period tender)	30 June 2014	Various
Orbis Security Solutions (Pty) Ltd	Yrs	2	Control Room Operators For a CCTV Surveillance Service	30 June 2013	17 460
1. CI Steyn Tenkbekleiders CC t/a CI Steyn Tenkbekleiders 2. Ibtisaam Soeker t/a Kimals Trading 3. Rizik Link CC 4. DB Erasmus t/a Pegasus Consulting Services- JV/Dadi's Trading CC 5. Masisebenze Water System (Pty) Ltd	Mths	32	Supply, delivery and/or installation of playground equipment and repair of existing playground equipment	30 June 2015	9 000
1. Hands on Garden Solutions CC (Items 1 - 3) 2. Distinctive Choice 306 CC t/a Avante Services (Item 4 and 7) 3. Chidinma CC t/a Chidinma (Item 5) 4. BF Mampies t/a Mampies Tree Felling and Gardening Services (Item 6) Henning and Henning BK	Mths	13	Maintenance of District Parks in South Area	30 June 2013	3 600
	Mths	33	Chemical Control of Broadleaf Weeds on Public Open Spaces,Road Reserves and Cemeteries	30 June 2014	4 000
1) Uluwandle Cleaning and Construction CC 2) Mkhomazi Investment CC 3) Lucratve Cleaning and Maintenance CC	Mths	24	Maintenance of public toilets on public open spaces and cemeteries	30 June 2014	2 400
Babalwa Cleaning Services Basho Cleaning Services CC t/a Basho Cleaning Services and Maintenance Imvusa Trading 523 CC	Mths	32	Opening and closing of graves in city cemeteries	30 June 2013	3 041
Imvusa Traind g14.34 CC t/a Magic-Scapes	Mths	28	Supply, Delivery, Removal and Installation of Rubber Matting around Play Equipment	30 June 2013	1 000
Kohler Signs (Pty) Ltd and Steyn Signage and Maintenance CC	Mths	31	Supply, Delivery and Erection of Signage Boards for City Parks	30 June 2013	500
Landscape Fusion CC	Mths	28	Horticultural Maintenance of Company Gardens	30 June 2013	1 440

2.17 Municipal manager's quality certificate

I, municipal manager of City of Cape Town, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal Manager of City of Cape Town (WC000)

Signature _____

Date _____