

**ANNUAL BUDGET OF
EKURHULENI METROPOLITAN
MUNICIPALITY**

**2013/14 TO 2015/16
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS**

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Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	KPI	Key Performance Indicator
BSC	Budget Steering Committee	kWh	kilowatt
CCA	Customer Care Areas	ℓ	Litre
CCC	Customer Care Centres	LED	Local Economic Development
CBD	Central Business District	MBRR	Municipal Budget and Reporting Regulations
CFO	Chief Financial Officer	MEC	Member of the Executive Committee
CM	City Manager	MFMA	Municipal Financial Management Act
COO	Chief Operating Officer	MIG	Municipal Infrastructure Grant
CPI	Consumer Price Index	MMC	Member of Mayoral Committee
CRM	Customer Relations Management	MPRA	Municipal Properties Rates Act
DEMS	Disaster and Emergency Management Services	MSA	Municipal Systems Act
DORA	Division of Revenue Act	MTEF	Medium-term Expenditure Framework
DCS	Digital City Systems	MTREF	Medium-term Revenue and Expenditure Framework
EDC	Ekurhuleni Development Company	NDPG	Neighbourhood Development Programme Grant
EE	Employment Equity	NERSA	National Energy Regulator South Africa
EMM	Ekurhuleni Metropolitan Municipality	NGO	Non-Governmental organisations
EM	Executive Mayor	NSDP	National Spatial Development Perspective
EMPD	Ekurhuleni Metro Police Department	NT	National Treasury
EPWP	Expanded Public Works Programme	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
FBE	Free basic electricity	PBO	Public Benefit Organisations
GAMAP	Generally Accepted Municipal Accounting Practice	PHC	Provincial Health Care
GDP	Gross domestic product	PMS	Performance Management System
GDS	Growth and Development Strategy	PPE	Property Plant and Equipment
GGDS	Gauteng Growth and Development Strategy	PPI	Production Price Increase
GFS	Government Financial Statistics	PPP	Public Private Partnership
GRAP	General Recognised Accounting Practice	PSI	Public Services Infrastructure
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSDG	Human Settlement Development Grant	RG	Restructuring Grant
IBT	Inclining Block Tariff	SALGA	South African Local Government Association
ICT	Information Communication Technology	SAMSA	South African Maritime Safety Authority
IDP	Integrated Development Strategy	SAPS	South African Police Services
INEP	Integrated National Electrification Programme	SCOA	Standard Chart Of Accounts
IRPTN	Integrated Rapid Public Transport Network	SDBIP	Service Delivery Budget Implementation Plan
IT	Information Technology	SMME	Small Micro and Medium Enterprises
IBALCO	IDP Budget Asset and Liability Committee	SRAC	Sports, Recreation, Arts and Culture
KPA	Key Performance Area	USDG	Urban Settlement Development Grant

Part 1 – Annual Budget

1.1 Mayor's Report

The Mayor's Report will be tabled in the final budget.

Flagship Projects

The flagship projects of council, which are discussed in detail as part of the departmental budget reports, are as follows:

Aerotropolis – an amount of R15 million has been provided on the operating budget to ensure the detailed planning of the Aerotropolis is completed. The detailed plan of the project is reflected in the following table.

Activity	Rand
Development of the Master Plan	R5m
Marketing and Stakeholder engagement	R0.5m
Establishment of a Special Purpose Vehicle	R1.5m
Roll-out of the five year Implementation Plan	R3m
Aerotropolis Planning Committee and work streams	R4.5m
Modelling of the Aerotropolis	R0.5m
Total	R15m

The capital budget of the Roads and Storm water department includes provision of R6 million for the upgrade of the roads in the Rhodesfield area.

Urban Renewal (management and regeneration) – a number of initiatives that will stimulate the renewal of the Metro's urban areas are included in the budget. This includes an amount of R2m each for the appointment of consultants to finalise plans for the urban management and regeneration respectively.

The following type of projects will complement the urban renewal project:

- Upgrading and precinct buildings and CCA buildings.
- Upgrading of various taxi ranks.
- Upgrading of certain community facilities such as the Germiston Theatre.
- Various roads and stormwater projects in the civic centres of CCAs.
- Erection of street lighting in certain areas.
- Replacement of water pipes and upgrading of storm water system in CBD.

Township Economies – some of the projects listed under Urban Renewal above, will also contribute to the township economies goal. Some other projects relating to the revitalization of township economies are:

- Trading Stalls (R4m)
- Township Enterprise Hubs (R11m)
- Community agricultural projects (R5m)
- Township Economics Development (R5.8m)
- Refurbishment of Fresh produce Market (R15m)

An amount of R10,4 million in respect of Expanded Public Works Programme grant will also be channeled towards job creation projects.

Rehabilitation of Dams, Lakes and Pans – R31.228 million has been set aside on the capital budget for the rehabilitation of dams, lakes and pans. The following projects in particular:

- Swartspruit Rehabilitation - R10m
- Eastleigh Spruit Channel – R5m
- Rehabilitation: Degraded Wetlands/ Catchment – R1,42 million
- Rehabilitation of the Natalspruit Catchment Area – R1,3 million
- Rehabilitation of the Boksburg Lake – R1 million

The rehabilitation of the dams and lakes also contributes to urban renewal.

Digital City – an amount of R90 million has been provided for on the capital budget for projects related to the digital city concept. The following projects in particular:

- DCS: Broadband Fibre – R40 million
- Digital City Services/Services Integrator – R5 million

IRPTN - The Integrated Rapid Public Transport Network has been provided for in the capital budget. An amount of R243,5 million has been made available by the National Government for the finalization of the planning and consultation processes. An additional R58,1 million was also made available from own funding. No physical construction will take place during 2013/2014. The planning for phase one, which is the route between Tembisa and the new Vosloorus Hospital will be finalized during the 2013/2014 financial year.

Revitalization of the Manufacturing Sector – the revival of the manufacturing sector is a project that is important not only to Ekurhuleni but to the country and, as such, can attract grant funding from both National and Provincial governments. The City Improvement District and Urban Development Zones projects will both contribute to the revitalization of the manufacturing sector.

The Economic Development Department provided an amount of R13,19m for various projects and plans to implement the inter alia the following actions to accelerate the revitalization of the manufacturing sector:

- Compilation of an economic development strategy, and industrial policy, strategy and programmes as well as an industrial project feasibility study with project plans (estimated to cost R4 million)
- Development of an industrial competitiveness barometer and index (R3.5 million)
- Stakeholder engagement regarding the Ekurhuleni industrial development and investment summit (R500 000)

Other Strategic Projects

Over and above the flagship projects, the following strategic governance projects are currently undertaken by departments:

Finalisation of Growth and Development Strategy – The finalization of the GDS consultation process and strategy document is currently in process and will continue in the 2013/14 financial year.

Institutional Review – the IR process has been embarked upon during the current year. The detailed programme and status of the project are addressed in the departmental budget report of the Human Resources and Development Department.

The department has also commenced with the roll-out of the top structure.

The funding strategy to address the outcome of the entire Institutional Review can only be finalised after all departments have been reviewed by end of October/November 2013. However, the interim strategy to deal with the process is as follows:

- An amount of R55m is provided in the 2013/14 financial year to accommodate the needs already identified and the requirements of departments that will be reviewed recently.
- Another possibility is to assess the current vacant and funded positions within departments that can be utilized for the review process. The budget for vacant funded positions is estimated to be in excess of R400m.
- It is foreseen that all the needs identified during the institutional review process will not be accommodated in the 2012/13 budget. The intention is to finalise the entire institutional review process and amend the structure of all the departments after completion. The Institutional Review Steering Committee will prioritise all the new positions identified and funding of the prioritized list will be addressed over the medium term budget of Council. That will assist departments to plan properly for all the new positions which will be funded in specific future financial years.

Key intervention programmes to alleviate poverty

The Ekurhuleni Jobs Programme has been launched by the Economic Development Department and a number of job interventions have been identified to stimulate the national job creation initiative of government. The programme includes:

- The expansion of the EPWP programme and development of mainstream PDI-owned businesses.
- Activation of trade-in-services community work for indigents.
- Activation of graduate development programmes and experiential training programmes in partnership with local businesses.
- Set aside Community Based Projects (CBP) to activate neighbourhood development and job creation initiatives within the communities. The current budget of R25m for the Lungile Mtshali project as well as the current CBP project of R200 000 per ward has been consolidated and the amount was increased to R1m per every ward. Thus R101m was budgeted for the full programme.
- Facilitation of youth development initiatives.

Though a number of the programmes will be facilitated and funded via capital projects, the following specific provision was made for projects funded from the operating budget of departments, as set in the following table:

DEPARTMENT	PROJECT	BUDGET 2013/14
DEMS	Emergency Services Reserve Force	R25,000,000
DEMS	Hydrant Maintenance, Marking & Testing Programme	R38,000,000
EMPD	Metro Police Peace Corp Volunteers	R78,000,000
Economic Development	Youth Work Readiness Programme	R15,000,000
Economic Development	Graduate Placement Programme	R21,000,000

DEPARTMENT	PROJECT	BUDGET 2013/14
Economic Development	Business Mentorship Programme	R5,000,000
CRM	Lungile Mtshali Poverty Alleviation Programme	R101,000,000
	TOTAL	R283,000,000

A large amount of the programme relates to salary costs and the above provision was made accordingly on the various salary budgets of the departments.

The Expanded Public Works Programme (EPWP) is one of the key interventions aimed at the alleviation of poverty through the creation of jobs. A R10,4m grant has been granted by National Treasury for 2013/14 which will be utilised for direct job creation.

With regard to projects contributing to Youth Development, the following provision was made on the salary budget for skills development. The total budget for 2013/2014 is R28.4m.

DEPARTMENT	LEARNERSHIP	EXPERIENTIAL STUDENTS	INTERNSHIPS	2013/2014 BUDGET
CHIEF OPERATING OFFICER			2	R 269,417
CITY PLANNING		13	2	R 624,775
CITY SECRETARIAT		1		R 37,669
COMMUNICATIONS		5		R 188,238
CORPORATE LEGAL		10		R 376,664
CUSTOMER RELATIONS MANAGEMENT		20		R 753,114
ECONOMIC DEVELOPMENT		15		R 564,849
EMERGENCY AND DISASTER MANAGEMENT: EMERGENCY SERVICES	20			R 602,990
EMERGENCY AND DISASTER MANAGEMENT: SUPPORT		4		R 150,596
ENERGY	20	17		R 1,378,155
EKURHULENI METRO POLICE	150			R 7,399,160
ENVIRONMENTAL RESOURCE MANAGEMENT	15	6		R 677,902
EXECUTIVE SUPPORT		1		R 37,642
FINANCE	10	14	20	R 3,852,169
HEALTH AND SOCIAL DEVELOPMENT	20	10		R 984,943
HOUSING		11		R 414,334
HUMAN RESOURCES	153	16	6	R 6,818,605
INFORMATION AND COMMUNICATION TECHNOLOGY		10		R 376,691
INSTITUTIONAL STRATEGY, M&E AND RESEARCH: GENERAL MANAGER		2		R 75,338
INSTITUTIONAL STRATEGY, M&E AND RESEARCH: INTEGRATED DEVELOPMENT PLANNING		1		R 37,669
INTERNAL AUDIT		12		R 452,030
ROADS AND STORM WATER	40	32		R 1,982,617
SRAC: SPORT AND RECREATION		12		R 451,922
Grand Total	467	212	30	R 28,447,989

Targeted procurement in terms of EMM's broad based black economic empowerment strategy - A report has been served to the Mayoral Committee for the approval of procurement target groups. The 10% for the Youth Target Group is the same as the procurement targets set by the Department of Finance: Gauteng Provincial Government. This target has not yet been approved to be implemented in Ekurhuleni. The report was referred back to the department for further consultation.

1.2 Council Resolutions

On 30 May 2013 the Council of the Ekurhuleni Metropolitan Municipality will meet in the Germiston Council Chambers of the Ekurhuleni Metropolitan Municipality to consider the annual budget of the municipality for the financial year 2013/14. The Council will consider the following resolutions:

- “1. *The Council of the Ekurhuleni Metropolitan Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:*
 - 1.1 *The annual budget of the municipality for the financial year 2013/14 and the multi-year and single-year capital appropriations as set out in the following tables:*
 - 1.1.1 *Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 19 on page 57;*
 - 1.1.2 *Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 20 on page 60;*
 - 1.1.3 *Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 22 on page 62; and*
 - 1.1.4 *Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 23 on page 66.*
 - 1.2 *The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:*
 - 1.2.1 *Budgeted Financial Position as contained in Table 24 on page 69;*
 - 1.2.2 *Budgeted Cash Flows as contained in Table 25 on page 71;*
 - 1.2.3 *Cash backed reserves and accumulated surplus reconciliation as contained in Table 26 on page 72;*
 - 1.2.4 *Asset management as contained in Table 27 on page 75, and*
 - 1.2.5 *Basic service delivery measurement as contained in Table 28 on page 78.*
2. *The Council of the Ekurhuleni Metropolitan Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2013:*
 - 2.1 *Schedule 1 - Tariffs for property rates;*
 - 2.2 *Schedule 2 – Tariffs for electricity;*
 - 2.3 *Schedule 3 - Tariffs for the supply of water;*
 - 2.4 *Schedule 4 - Tariffs for supply of sewer; and*
 - 2.5 *Schedule 5 – Tariffs for waste management services*

– as set out in Annexure D
3. *The Council of the Ekurhuleni Metropolitan Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2013 the tariffs for other services, as set out in the various tariff schedules as contained in Annexure D.*
4. *To give proper effect to the municipality’s annual budget, the Council of the Ekurhuleni Metropolitan Municipality approves:*
 - 4.1 *That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates and user charges for services*

to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

- 4.2 *That the municipality be permitted to enter into long-term borrowings for the funding of the capital programmes in respect of the 2013/14 financial year limited to an amount of R785m, 2014/15 financial year limited to an amount of R1bn and 2015/16 financial year limited to an amount of R1bn, in terms of Section 46 of the Municipal Finance Management Act.*
 - 4.3 *That the municipality be permitted to enter into project finance for the funding of the water loss eradication programmes in respect of the 2013/14 financial year limited to an amount of R150m in terms of Section 46 of the Municipal Finance Management Act*
 - 4.4 *That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.*
5. *To guide the implementation of the municipality's annual budget, the Council of the Ekurhuleni Metropolitan Municipality approves the policies as set out in the Annexures of this document.*

<i>Annexure E</i>	<i>Medium Term Budget Policy Statement (new policy)</i>
<i>Annexure F</i>	<i>Pricing Policy Statement (new policy)</i>
<i>Annexure G</i>	<i>Property Rates Policy (as reviewed)</i>
<i>Annexure H</i>	<i>Provision of Free Basic Electricity Policy (as reviewed)</i>
<i>Annexure I</i>	<i>Waste Management Tariff Policy (as reviewed)</i>
<i>Annexure J</i>	<i>Consumer Deposit Policy (as reviewed)</i>
<i>Annexure K</i>	<i>Indigent Support Policy (as reviewed)</i>
<i>Annexure L</i>	<i>Credit Control & Debt Collection Policy (as reviewed)</i>
<i>Annexure M</i>	<i>Provision for Doubtful Debtors and Debtors Write-off (as reviewed)</i>
<i>Annexure N</i>	<i>Budget Implementation and Monitoring Policy (as reviewed)</i>
<i>Annexure O</i>	<i>Municipal Entity Financial Support Policy (as reviewed)</i>
<i>Annexure P</i>	<i>Accounting Policy (as reviewed)</i>
<i>Annexure Q</i>	<i>Funding and Reserves Policy (as reviewed)</i>
<i>Annexure R</i>	<i>Borrowing Policy (as reviewed)</i>
<i>Annexure S</i>	<i>Cash Management Policy (as reviewed)</i>
<i>Annexure T</i>	<i>Policy on electricity metering for residential and small business customers in the Ekurhuleni Metropolitan Municipality (as reviewed)</i>
<i>Annexure U</i>	<i>Policy for the Vending of Pre-paid Electricity (as reviewed)</i>

6. *To ensure oversight over the municipal entities, the Council of the Ekurhuleni Metropolitan Municipality **APPROVES** the Salaries and Benefits of the Municipal Entities as set out in the Annexure C (Main Budget Document) for purposes of setting of upper limits as required by section 89 of the Municipal Finance Management Act.*
7. ***That** the Chief Financial Officer in consultation with the City Manager **BE DELEGATED** the authority to adjust the 2013/2014 operating and capital budgets (income and expenditure) with:*

- 7.1 *all operating and capital grants received in addition to the currently gazetted DORA grants*
- 7.2 *income received for recoverable jobs*
- 7.3 *insurance claims received*
- 7.4 *developers' contributions received*
- 7.5 *transactions on the internal cost management structure*
- 7.6 *disbursement of centralised budgets*

subject to these adjustments being reported on in the Adjustments Budget.

8. **That** the Chief Financial Officer **BE AUTHORISED** to amend the structure on the financial system, in collaboration with the Head of Departments, to align the financial system with the outcome of the Institutional review and the new Standard Chart Of Accounts (SCOA), structure proposed by National Treasury.
9. **That**, in order to facilitate multi-year budgeting, departments **BE AUTHORISED** to commit projects on the 2014/2015 and 2015/2016 budgets, on both internal and confirmed external funding sources.
10. **That** the taking up of a municipal bond of R785m (as part of the R4bn registered bond) to fund the 2013/2014 Capital Budget **BE APPROVED** for a term of 10 to 15 years and that a further report be submitted to Council to give feedback on the public comments received in this regard before the transaction is finalised.
11. **That** the taking up of a project finance municipal bond of R150 million to fund the 2013/2014 Water Loss Eradication Programme under the Capital Budget **BE APPROVED**.
12. **That** authority **BE GRANTED**, to a maximum amount of R150 million, in respect of bank overdraft facilities and/or the raising of short-term loans, including loans at call from Council's bankers, for the financial year ending 30 June 2014 in order to finance temporarily –
 - *Expenditure on the capital budget; or*
 - *Expenditure on the operating budget incurred in anticipation of the receipt of revenue estimated and from which the expenditure would have been defrayed.*
13. **That** the Ekurhuleni Metropolitan Municipality (EMM), Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plan (SDBIP) for 2013/14 as contained in Annexures A and V respectively, **BE ADOPTED**.
14. **That** the copy of the Integrated Development Plan (IDP) **BE SUBMITTED** to the MEC for Local Government for comments.
15. **That** the MEC for Local Government **BE REQUESTED** to approve the Ekurhuleni Metropolitan Municipality (EMM), Integrated Development Plan (IDP) for 2013/14 as its Land Development Objectives as envisaged in Section 72a of the Development Facilitation Act.”

16. *The Council of the Ekurhuleni Metropolitan Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts the annual budget of the **municipality and entities** included for the financial year 2013/14 and the multi-year and single-year capital appropriations as set out in the consolidated tables as contained in Annexure X of the report.*

1.3 Executive Summary

Leaders and management of Ekurhuleni embarked in a process to compile a Medium Term Budget Policy and Pricing Policy Statement. These documents together with the Results-based Budgeting principles formed the basis for the compilation of the MTREF for 2013/14 – 2015/16.

The application of sound financial management principles for the compilation of the City's financial plan is essential and critical to ensure that the City remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

National Treasury's MFMA Circular No. 66 dated 11 December 2012 and Circular No. 67 dated 24 April 2013 were used to guide the compilation of the 2013/14 MTREF.

The main challenges experienced during the compilation of the 2013/14 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy.
- Aging and poorly maintained water, roads and electricity infrastructure.
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality.
- The potential reduction of equitable share that affected the draft budget.
- The initial notice of high increases for bulk water and electricity (from Rand Water and Eskom), together with the fact that bulk increases have not yet been finalised, despite the fact that the draft budget has to be tabled in March 2013.
- The implementation of a new valuation roll as from 1 July 2013. Property valuations are affecting the amount payable for assessment rates directly. Variations in valuations could result in a diversified increase or even decrease in the levies charged for assessment rates.
- Affordability of capital projects and
- Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2013/14 MTREF:

Planning Framework

The City's GDS and IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

The main objectives of the City include:

- Provision of quality basic services and infrastructure
- Economic growth and development that leads to sustainable job creation
- Fighting poverty and building clean, healthy, safe and sustainable communities
- Provision of integrated social services for empowered and sustainable communities
- Fostering participatory democracy and Batho Pele principles through a caring, accessible and accountable service
- Ensuring financial sustainability
- Optimal institutional transformation to ensure capacity to achieve set objectives

The 2013/2014 MTREF was based on the following strategic documents:

- Ekurhuleni Service Delivery Statement
- EMM GDS 2055
- National Treasury guidance

Operating Budget

- Realistic revenue projections – the revenue projections for the 2013/2014 financial year were used as a departure point to determine whether the current revenue budget is realistic and can be achieved. Where this was found to not be the case, an adjustment was made to the revenue budget for the 2013/2014 to 2015/2016 financial period to ensure a true reflection of the actual amounts to be received. It was necessary to adjust the water and sanitation income budget basis downward mainly as a result that actual sales are projected in the current year to be lower than the budgeted sales. The downward adjustment of the basis is as follows:

Water * – Negatively downwards with 3.18%.

Sanitation – Negatively downwards with 2.96%

- Growth projections – growth projections refer to the increase in the number of units consumed for the service. It does not refer to the increase in the tariff, nor does it reflect the total increase in income. It is expressed as a percentage which represents the percentage increase in units consumed. Growth projections are determined per service which is driven by service specific trends. Electricity, as an example shows a very small growth rate due to the various energy efficiency initiatives and water shows no growth rate due to the reason as given above. The individual growth rates are:

- Assessment Rates: 1.7%
- Electricity: 0%
- Water: 0%
- Sanitation: 0%
- Solid Waste: 0.73%

The zero growth rates for water and sanitation is based on the fact as mentioned in the previous paragraph of the report and to avoid similar circumstances as in the current financial year.

- Proposed tariff increases (this is the actual percentage cost increase that the consumer will receive) – tariff increases are mainly based on the cost of bulk services as well as other departmental specific cost drivers. The individual tariff increases are:

- Assessment Rates – 0% (all categories – only valuation roll increase emanating from new valuation roll will come into effect from 1 July 2013).
 - Electricity – Income increase of 7%, individual increases ranging from a decrease of 7.69% to an 8.5% increase.
 - Water – 9.82% for both residential and business.
 - Sanitation – 7.6% for both residential and business.
 - Solid Waste – 15% for both residential and business (including the proposed R5 per month per property cleansing levy that will be implemented from 1 July 2013).
- Affordability of tariff increases – a model has been developed to test the affordability of tariff increases to ensure that tariffs are not increased at levels higher than what is affordable to residential consumers.
- Provision of Free Basic Services and support to residents of informal settlements. Free basic services provided are valued at R2.354 billion and comprise:
 - Free basic water of 6kl per household per month (R327.6m p.a.)
 - Free basic sewer of 6kl per household per month (R269.9m p.a.)
 - Additional free basic water of 3kl per household per month to indigent households (R12.9m p.a.)
 - Additional free basic sewer of 3kl per household per month to indigent households (R10.3m p.a.)
 - Provision of chemical toilets to informal settlements (R160,9m p.a.)
 - Provision is made for free basic electricity of 100kWh per month to all Tariff A users with an average consumption of less than 450kWh per month (R210m p.a.)
 - Free basic electricity to Eskom supply areas (R60m p.a.) – this amount is based on the FBE rate as per the NERSA guidelines and is further based on the number of registered indigents in the areas where Eskom supplies electricity to EMM residents.
 - Once a week residential refuse round collection at no cost to indigent households (R33.8m p.a.)
 - Provision of a refuse collection service to informal settlements (not individual round collections, service performed by contractor) (R22.8m p.a.)
 - First R150 000 assessment rates exemption to residential properties (R578m p.a.)
 - 100% assessment rates rebate to indigent households (R24.9m p.a.)
 - Additional assessment rates rebates to pensioners (R44.3m p.a.)
 - Excess consumption of indigents which are written off on a monthly basis as per the indigent management policy (R459.7m p.a.)
 - Supply of water to informal settlements (R5.1m p.a.)
 - These free basic services and indigent support are R437m more than what the equitable share grant is. One of the matters being investigated as part of the medium term budget policy is the alignment of social support with National policies to ensure the cost does not exceed the equitable share. This will include the review of the R150 000 assessment rates exemption to households (the Municipal Property Rates Act stipulates that the first R15 000 must be exempted). It could also include the review of the provision of 6kl of free basic water and sanitation to all households and not only to indigent households. However, in lieu of other mitigating factors such as the implementation of a new valuation roll it is foreseen that the provision of the mentioned free basic services will only be addressed in the 2014/15 budget cycle.
 - Division of Revenue Act (DORA) allocations – the budget as presented is based on the 2013 DORA as gazetted by National Treasury.

- Compliance with regulatory body requirements – NERSA requirements insofar as the provision of free basic services, maintenance levels, cross subsidization, inclining block tariffs, etc. were taken into consideration in the evaluation of the operating budget.
- The total available revenue – once the total revenue envelope was set following the principles outlined above, expenditure allocations were considered. Total revenue comprises R26.471bn.
- Fixed costs were “top sliced” from the available funds. Fixed costs are costs that are non-discretionary over the medium term (i.e. it cannot be reduced to contractual or other commitments). The following cost categories are included in this section:
 - Human Resource Cost including Councillor Remuneration- R5,231bn
 - Depreciation and Amortization - R2,288bn
 - Bulk Purchases - R9,686bn
 - Provision for Bad Debt (based on a 93% collection rate) - R1,144bn
 - Interest Expense (external borrowings) - R0,685bn
 - Contracted Services - R0,811bn
- Accounting provisions and internal / contra transactions to be made. Certain GRAP requirements must be accommodated in the expenditure budget as well as expenditure items related to revenue items must be included in the budget. These costs are as follows:
 - Loss of Disposal of assets – R25,000,000 (any assets that are sold, stolen, or otherwise disposed of for less than the book value of the asset is recorded as a loss. It is expected that housing stock will be transferred this year which will result in the loss on disposal of assets – this is an accounting entry and not a cash loss).
 - Operating Grants (expenditure associated with operating grants received, i.e. contra entry against revenue budget) – R446m.
- The remaining amount left from revenue after provision for the fixed costs have been made were disbursed as follows:
 - Repairs and Maintenance – R2,119bn
 - Collection Cost – R0,158bn
 - Grants and Subsidies – R1,003bn
 - General Expenses – R2,008bn

The MTREF for the 2013/14 Multi-year budget, with comparative information is as follows:

Table 1: Operating Budget Summary

FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	%	F02 R'000	F03 R'000
ORG BUDGET	ADJ BUDGET	R'000	R'000	R'000	R'000	B to B	P to B	Of Total	Of Total	2014/15	2015/16
INCOME											
Property Rates	3,560,847	3,560,847	2,004,948	3,541,551	4,124,880	15.84%	16.47%	15.59%	15.59%	4,434,246	4,766,815
Departmental Usage	78,513	78,513	39,554	145,356	42,897	-45.36%	-70.49%	0.16%	0.16%	117,984	126,833
Less: Income foregone	599,127	599,127	346,513	824,068	627,501	4.74%	-23.85%	2.37%	2.37%	674,563	725,155
Sub-total: Net Property Rates	3,040,233	3,040,233	1,697,989	2,862,840	3,540,277	16.45%	13.38%	13.38%	13.38%	3,877,667	4,168,492
Penalties Imposed on Property Rates	56,039	56,039	39,514	71,990	62,392	7.50%	-13.33%	0.24%	0.24%	67,071	72,101
Interest Earned - Outstanding Debtors	182,231	182,231	148,048	201,712	201,712	10.69%	-5.59%	0.76%	0.76%	220,685	240,720
Sub-total: Penalties and Interest on Debtors	240,270	240,270	187,562	285,639	264,104	9.92%	-7.54%	1.00%	1.00%	287,756	312,822
Electricity Sales	10,361,459	10,361,459	6,118,342	10,331,554	11,198,138	8.07%	8.39%	42.32%	42.32%	12,092,474	13,058,171
Departmental Usage	180,452	180,452	88,399	151,275	301,547	62.25%	99.34%	1.14%	1.14%	325,671	351,725
Less: Income foregone	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	—	—
Sub-total: Net Electricity Sales	10,541,911	10,541,911	6,204,741	10,482,829	11,499,685	9.03%	9.70%	43.46%	43.46%	12,418,145	13,409,895
Solid Waste Income	872,590	872,590	498,663	877,987	1,036,451	18.78%	18.05%	3.92%	3.92%	1,141,789	1,230,344
Departmental Usage	92,021	92,021	36,525	91,861	111,371	21.03%	21.24%	0.42%	0.42%	126,076	147,288
Sub-total: Solid Waste Sales	964,611	964,611	535,188	969,848	1,147,822	18.99%	18.35%	4.34%	4.34%	1,269,866	1,377,631
Sanitation Income	1,065,900	1,065,900	583,834	1,041,223	1,102,894	3.47%	5.92%	4.17%	4.17%	1,185,611	1,274,535
Departmental Usage	13,105	13,105	4,722	6,315	29,874	127.96%	373.04%	0.11%	0.11%	32,115	34,523
Less: Income foregone	240,987	240,987	129,090	252,342	269,905	12.00%	6.96%	1.02%	1.02%	290,148	311,909
Sub-total: Net Sanitation Sales	838,018	838,018	459,467	795,196	862,863	2.98%	8.51%	3.26%	3.26%	927,578	997,149
Water Sales	2,677,210	2,677,210	1,476,776	2,572,590	2,854,757	6.63%	10.97%	10.79%	10.79%	3,140,232	3,454,266
Departmental Usage	35,735	35,735	30,345	32,162	47,388	32.55%	47.28%	0.18%	0.18%	52,104	57,315
Less: Income foregone	298,356	298,356	166,603	312,955	327,654	4.70%	4.24%	4.70%	4.24%	360,419	396,461
Sub-total: Net Water Sales	2,414,589	2,414,589	1,340,521	2,291,797	2,574,470	6.62%	12.33%	9.73%	9.73%	2,831,917	3,115,109
Market Income	18,639	18,639	10,241	14,230	17,707	-5.00%	24.44%	0.07%	0.07%	18,610	19,522
Minor Income	44,884	44,884	29,206	52,065	52,065	16.00%	0.00%	0.20%	0.20%	54,720	57,402
Total: User Charges for Services	14,822,651	14,822,651	8,579,365	14,605,967	16,154,613	8.95%	10.60%	61.06%	61.06%	17,520,836	18,976,708
Rent of Facilities and Equipment - Other	61,249	61,249	29,646	49,422	61,127	-0.20%	23.68%	0.23%	0.23%	64,650	68,287
Sub-total: Rent of Facilities and Equipment	61,249	61,249	29,646	49,422	61,127	-0.20%	23.68%	0.23%	0.23%	64,650	68,287
Interest Earned - Current Investment Portfolio	170,100	170,100	97,009	185,636	195,615	15.00%	5.38%	0.74%	0.74%	215,177	231,315
Sub-Total: Interest Earned	170,100	170,100	97,009	185,636	195,615	15.00%	5.38%	0.74%	0.74%	215,177	231,315
Traffic Fines	72,350	72,350	58,849	82,038	86,000	18.87%	4.83%	0.33%	0.33%	90,386	94,815
Final Notice Fees	45,229	45,229	21,514	31,087	56,536	25.00%	81.86%	0.21%	0.21%	59,419	62,331
Disconnection Fees	75,980	75,980	9,159	15,729	36,955	-51.36%	134.96%	0.14%	0.14%	38,840	40,743
Other Fines	6,305	6,305	3,807	7,293	5,667	-10.12%	-22.29%	0.02%	0.02%	5,956	6,248
Sub-Total: Fines	199,864	199,864	93,330	136,147	185,168	-7.36%	36.00%	0.70%	0.70%	194,602	204,137
Licenses & Permits	30,948	30,948	21,426	38,985	25,976	10.74%	10.74%	0.15%	0.15%	40,973	42,980
Income from Agency Services	240,664	240,664	130,258	236,078	246,055	2.24%	4.23%	0.93%	0.93%	258,603	271,275
Operating Grants & Subsidies - Other	31,912	31,912	13,938	74,515	227,171	204.87%	204.87%	0.86%	0.86%	35,906	37,922
Equitable Share	1,825,341	1,825,341	1,368,897	1,825,341	1,917,953	5.07%	5.07%	7.25%	7.25%	2,039,212	2,161,068
RSC Levy Replacement / Fuel Levy	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	—	—
Finance Management Grant	51,250	232,557	101,249	232,557	239,975	3.19%	3.19%	0.91%	0.91%	249,513	257,332
Health Subsidies	108,067	96,067	48,818	96,067	104,395	8.67%	8.67%	0.39%	0.39%	111,952	117,885
Emergency Services Subsidies	119,220	119,220	59,610	119,220	129,001	8.20%	8.20%	0.49%	0.49%	136,040	143,250
Sub-Total: Operating Grants	2,135,790	2,347,700	1,592,512	2,347,700	2,618,495	11.53%	11.53%	9.90%	9.90%	2,572,624	2,718,048
Capital Grants - Other	18,750	17,750	0	17,750	27,945	57.44%	57.44%	0.11%	0.11%	35,000	30,000
INEP	73,000	73,000	13,044	73,000	10,000	-86.30%	-86.30%	0.04%	0.04%	50,000	70,000
Neighborhood Development Partnership Grant	26,382	26,382	8,828	18,582	21,000	13.01%	13.01%	0.08%	0.08%	80,000	85,000
Municipal Infrastructure Grant for Cities	1,162,537	994,015	357,219	1,358,995	1,358,995	36.72%	36.72%	5.14%	5.14%	1,556,269	1,611,998
Public Transport Infrastructure Grant	50,000	53,082	9,635	53,082	239,543	351.18%	351.18%	0.91%	0.91%	—	—
Community Care Centres	81,733	37,017	5,144	33,955	33,955	-8.27%	-8.27%	0.13%	0.13%	28,911	—
Sub-Total: Capital Grants	1,412,402	1,193,456	393,669	1,193,456	1,691,438	41.73%	41.73%	6.39%	6.39%	1,750,180	1,835,609
Carbon Credits	5,000	5,000	—	—	—	-100.00%	0.00%	0.00%	0.00%	—	—
Fuel Levy	1,363,911	1,363,911	909,274	1,363,911	1,406,096	3.09%	3.09%	5.31%	5.31%	1,487,764	1,556,201
Essential Services	20,332	20,332	15,668	15,742	21,900	7.71%	39.12%	0.08%	0.08%	23,017	24,145
Other Sundry Income	33,157	33,157	36,010	45,147	30,219	-10.52%	-33.07%	0.11%	0.11%	31,760	33,316
Sub-Total: Other Income	1,421,400	1,423,016	960,762	1,424,800	1,458,215	2.47%	2.47%	2.35%	2.35%	1,542,541	1,613,662
Gain on Sale of Assets	5,000	5,000	—	—	5,000	0.00%	100.00%	0.02%	0.02%	28,330,863	5,512
TOTAL OPERATING INCOME	23,780,571	23,780,550	13,783,517	23,362,889	26,458,081	11.28%	11.28%	100.00%	100.00%	28,330,863	30,448,747
Internal Recoveries	—	—	—	—	—	0.00%	0.00%	0.00%	0.00%	—	—
NET OPERATING INCOME	23,780,571	23,780,550	13,783,517	23,362,889	26,458,081	11.28%	11.28%	100.00%	100.00%	28,330,863	30,448,747

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

METRO TOTAL										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	%	F02 R'000	F03 R'000
ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	P to B	Of Total	2014/15	2015/16	
EXPENDITURE										
Employee Related Costs - Salaries & Wages	3,985,973	3,886,758	1,996,674	3,570,683	4,455,327	14.63%	24.78%	4,749,378	5,063,338	
Employee Related Costs - Overtime	344,450	346,060	229,158	321,471	372,142	7.54%	15.76%	396,703	422,092	
Employee Related Costs - Additional Positions	62,641	62,641	—	55,000	—	-12.20%	100.00%	58,630	62,382	
Employee Related Costs - Social Contributions	1,026,748	1,025,360	547,837	1,009,563	1,106,721	7.93%	9.62%	1,179,765	1,255,270	
Employee Related Costs - Salaries Capitalised	(116,274)	(116,274)	—	(116,274)	(132,791)	14.21%	-0.52%	(141,556)	(150,615)	
Employee Related Costs - Salaries to R and M Internal	(694,936)	(694,936)	(357,195)	(694,936)	(722,326)	3.94%	3.94%	(789,999)	(819,279)	
Remuneration of Councilors	103,326	103,326	50,906	102,157	97,286	-5.85%	-4.77%	103,707	110,344	
Sub-Total: Remuneration	4,711,928	4,612,955	2,487,380	4,192,664	5,231,358	13.41%	24.77%	5,576,628	5,933,532	
Bad Debts (Provision for Bad Debts) - current trends	—	—	—	—	—	0.00%	0.00%	—	—	
Bad Debts (Provision for Bad Debts) - additional target	1,256,869	1,256,869	894,400	1,280,668	1,144,566	-8.94%	-10.63%	1,250,492	1,364,277	
Sub-Total: Bad Debt Provision	1,256,869	1,256,869	894,400	1,280,668	1,144,566	-8.94%	-10.63%	1,250,492	1,364,277	
Collection Costs	153,263	152,992	52,914	151,051	157,502	2.95%	4.27%	165,535	173,646	
Depreciation - Existing Assets	2,200,738	2,200,738	1,283,764	2,247,013	2,288,832	4.00%	1.86%	2,403,274	2,523,438	
Sub-Total: Depreciation	2,200,738	2,200,738	1,283,764	2,247,013	2,288,832	4.00%	1.86%	2,403,274	2,523,438	
Repairs and Maintenance - External Contractors	895,894	912,261	339,730	812,928	989,463	8.46%	21.72%	1,039,925	1,090,882	
Repairs and Maintenance - Electricity Maintenance Levy	303,017	303,017	118,004	295,407	343,327	13.30%	16.22%	370,793	400,457	
Repairs and Maintenance - Water Maintenance Levy	61,448	61,448	10,124	61,448	63,814	3.85%	3.85%	69,801	76,360	
Repairs and Maintenance - Internal Maintenance Teams	694,936	694,936	357,157	694,936	722,326	3.94%	3.94%	769,999	819,279	
Sub-Total: Repairs and Maintenance	1,955,295	1,971,662	825,014	1,864,719	2,118,929	17.67%	13.63%	2,250,519	2,386,978	
Interest Expense - Current External Borrowings	580,158	582,302	290,944	568,574	685,215	17.67%	22.67%	924,964	896,407	
Sub-Total: Interest Expense	580,158	582,302	290,944	568,574	685,215	17.67%	22.67%	924,964	896,407	
Bulk Purchases - Electricity	6,803,233	6,805,233	4,043,340	6,801,604	7,291,216	7.14%	7.20%	7,874,513	8,504,474	
Bulk Purchases - Water	1,755,085	1,755,085	1,025,120	1,736,687	1,923,870	9.62%	10.78%	2,116,257	2,327,883	
Bulk Purchases - Sewer purification	437,956	437,956	255,386	437,956	471,077	7.56%	7.56%	506,408	544,389	
Sub-Total: Bulk Purchases	8,996,275	8,998,274	5,323,846	8,976,247	9,686,163	7.64%	7.91%	10,497,178	11,376,746	
Contracted Services - Existing Contracts	755,825	794,250	300,268	663,509	810,490	2.04%	22.15%	876,085	946,172	
Sub-Total: Contracted Services	755,825	794,250	300,268	663,509	810,490	2.04%	22.15%	876,085	946,172	
Grants & Subsidies Paid - Social/Educational/Sports	85,019	85,019	22,179	76,118	137,944	62.25%	81.23%	151,972	167,606	
Grants & Subsidies Paid - Eskom	463,900	463,900	31,862	460,594	459,766	-0.89%	-0.18%	484,947	510,711	
Grants & Subsidies Paid - Entities	33,500	33,500	22,604	33,500	5,000	-85.07%	0.02%	5,291	5,592	
Grants & Subsidies Paid - Add rebates on Ass rates - pens	38,526	38,526	22,604	38,526	44,382	15.20%	15.20%	47,710	51,289	
Grants & Subsidies Paid - Free Basic Services - Indigents	516,959	376,959	187,488	356,323	356,586	-5.40%	0.07%	387,530	421,312	
Sub-Total: Grants and Subsidies	1,137,904	997,904	295,883	965,060	1,003,679	0.56%	4.00%	1,077,451	1,156,510	
General Expenses	1,487,557	1,542,877	762,906	1,703,747	2,011,995	30.41%	18.09%	2,197,327	2,340,331	
Grants Expenditure	64,013	285,423	39,494	116,876	446,144	56.31%	281.73%	263,031	272,033	
Impairment loss	—	—	—	—	—	0.00%	0.00%	—	—	
Loss on Sale of Assets	25,000	25,000	—	—	25,000	0.00%	100.00%	25,000	25,000	
TOTAL OPERATING EXPENDITURE	23,324,823	23,421,248	12,536,813	22,720,129	25,609,874	9.34%	12.72%	27,507,484	29,395,070	
Internal Transfers:										
Internal Charges	—	—	—	—	—	0.00%	0.00%	—	—	
NET OPERATING EXPENDITURE	23,324,823	23,421,248	12,536,813	22,720,129	25,609,874	9.34%	12.72%	27,507,484	29,395,070	
OPERATING SURPLUS/(DEFICIT)	455,748	359,302	1,246,704	642,760	849,207	136.35%	32.12%	823,379	1,063,677	
Contribution to Capital Budget	1,412,402	1,195,956	—	1,453,537	1,691,438	41.43%	16.37%	1,750,180	1,835,509	
Total Transfers to Cash-Backed Reserves	—	—	—	130,000	130,000	100.00%	100.00%	95,000	290,000	
Total Transfers from Cash-Backed Reserves	959,464	839,464	559,687	959,464	975,937	16.26%	1.72%	1,024,734	1,075,970	
NET OPERATING SURPLUS/(DEFICIT)	2,810	2,810	1,806,391	148,687	3,706	31.90%	-97.51%	2,933	4,139	

Capital Budget

The evaluation of the project proposals was based on four key criteria:

- Compliance with Draft Capital Investment Framework (CIF) – projects was evaluated by the City Planning Department.
- Compliance with the USDG Framework and Housing Strategy - projects were evaluated by the Human Settlements and City Planning Departments.
- Practical implementation - projects were evaluated by the EPMO Department.
- Economic impacts of projects - projects were evaluated by the Economic Development Department.

The capital budget will be funded as follows:

- **USDG grant** – Allocations as per the 2013 Division of Revenue Act (DoRA)) - based on Housing department integrated planning and funding strategy and in compliance with the USDG framework
- **Other grant funding** - Allocation for all the external funds as per the 2013 Division of Revenue Act (DoRA) and the Provincial gazette - to fund social projects that will not necessarily generate revenue
- **Municipal bonds** - to fund economic infrastructure that will stimulate economic growth and job creation
- **Cash generated from revenue** - to fund movable assets
- **Project Finance** – to fund the water loss eradication programme

The capital programme is aligned to the asset renewal needs and backlog eradication goals and as such 40% of the total capital amount will be utilised for asset renewals. Operational gains and efficiencies will be directed to funding the capital budget. Strict adherence to the principle of no project plans no budget, if there is no business plan, no funding allocation can be made.

Projects already approved as part of the MTREF approved for the period 2012/2013 to 2014/2015. Projects already approved and already commenced with that must be completed during the 2013/2014 to 2015/2016 financial period were allocated the funding as per the approved MTREF.

Projects previously approved in the 2012/2013 to 2014/2015 MTREF but not yet planned nor commenced with, were subjected to departmental project prioritisation taking changed priorities and service delivery pressures into account.

Projects were subjected to project prioritisation based on capital prioritization model that is informed by Capital Investment Framework to be used in 2013/2014 financial year (and beyond) budget preparation. The various categories in the project prioritisation model carry the following budget requests:

- Economic Development – R655,692,185 (22%)
- Upgrading and Renewal – R1,430,090,005 (48%)
- Urban Restructuring – R895,150,520 (30%)

The National Treasury has set a benchmark of 39% - 40% of the capital budget to be spent on renewal projects and this was taken into account. This budget allocates 48% for asset renewals.

Impact of proposed projects on the operational budgets of future years was evaluated. It is not sustainable to construct facilities where there are not sufficient operating funds available to operationalize the facilities.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/14 Medium-term Revenue and Expenditure Framework:

Table 2 Consolidated Overview of the 2013/14 MTREF

	Adjustment Budget 2012/13	Budget Year 2013/14	Budget Year + 1 2014/15	Budget Year + 2 2015/16
Total Operating Revenue	22,587,094,007	24,767,642,787	26,580,683,777	28,613,238,136
Total Operating Expenditure	22,584,284,382	24,763,936,857	26,577,750,365	28,609,099,195
Surplus / (Deficit) for the year	2,809,625	3,705,930	2,933,412	4,138,941
Total Capital Expenditure	2,557,738,725	2,980,932,710	3,119,798,979	3,368,826,121
<i>** Total Operating Income excludes Grants Received for Capital</i>				
<i>** Total Operating Expenditure excludes Capital Expenditure Funded by Capital Grants but includes Offset Depreciation and Contribution to Capital Replacement Reserve.</i>				

Total operating revenue has grown by 9.65% or R2.1 billion for the 2013/14 financial year when compared to the 2012/13 Adjustments Budget. For the two outer years, operational revenue will increase by 7.32% and 7.65% respectively, equating to a total revenue growth of R3.8 billion over the MTREF when compared to the 2013/14 financial year.

Total operating expenditure amounts to R24.7 billion in the 2013/14 financial year. Thus, it translates into a budgeted surplus of R3.705 million. When compared to the 2012/13 Adjustments Budget, operational expenditure has grown by 9.65% in the 2013/14 budget and by 7.32% and 7.64% for each of the respective outer years of the MTREF. The operating surplus for the two outer years amounts to R2.933 million and R4.138 million respectively.

The capital budget of R2.980 billion for 2013/14 is 17% more when compared to the 2012/13 Adjustment Budget. The increase is due to increased grant funding as well as some projects being delayed and rolled over to the 2013/14 financial year.

The capital programme increases to R3.119 billion in the 2014/15 financial year and to R3,368 billion in the 2015/16 financial year.

A substantial portion of the capital budget will be funded from borrowing over MTREF with anticipated borrowings of R1,040 billion in 2013/14 financial year (R786 million in terms of new bond, R104 million transferred from previous year and R150 million in terms of Project Finance for the water loss eradication programme). Borrowing is estimated at R1,147 billion in the 2014/15 and R1,150 billion in the 2015/16 financial years. The balance will be funded from government grants and transfers as well as internally generated funds.

The repayment of capital and interest (debt services costs) has substantially increased over the past five years as a result of the aggressive capital infrastructure programme implemented over the past three years.

1.4 Operating Revenue Framework

For Ekurhuleni Metropolitan Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that the Metro is faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Metro and continued economic development;
- Efficient revenue management, which aims to ensure a 93% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Energy Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Metro.

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

Table 3 Summary of revenue classified by main revenue source (Source: NT Table A4)

R thousand	Description	EKU Ekurhuleni Metro - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)																		
		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	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16									
	Revenue By Source																			
	Property rates	2,131,999	2,431,047	2,590,399	3,040,233	3,040,233	2,862,840	2,862,840	2,862,840	2,862,840	3,540,277	3,877,667	4,168,492							
	Property rates - penalties & collection charges	71,208	62,531	59,770	58,039	58,039	71,990	71,990	71,990	71,990	62,392	67,071	72,101							
	Service charges - electricity revenue	6,057,776	7,588,994	9,086,646	10,541,911	10,547,311	10,482,829	10,482,829	10,482,829	10,482,829	11,499,685	12,418,145	13,409,895							
	Service charges - water revenue	2,035,429	1,184,378	2,063,595	2,414,589	2,414,589	2,291,797	2,291,797	2,291,797	2,291,797	2,574,470	2,831,917	3,115,109							
	Service charges - sanitation revenue	442,628	681,256	715,985	838,018	838,018	795,196	795,196	795,196	795,196	862,863	927,578	997,149							
	Service charges - refuse revenue	564,339	610,983	725,039	964,611	964,611	969,848	969,848	969,848	969,848	1,147,822	1,269,866	1,377,631							
	Service charges - other	49,858	56,295	58,232	63,523	63,523	66,296	66,296	66,296	66,296	69,772	73,330	76,924							
	Rental of facilities and equipment	48,719	49,064	49,227	61,249	61,249	49,422	49,422	49,422	49,422	61,127	64,650	68,287							
	Interest earned - external investments	54,454	119,553	153,736	170,100	170,100	185,636	185,636	185,636	185,636	195,615	215,177	231,315							
	Interest earned - outstanding debtors	270,959	212,198	199,887	182,231	182,231	213,648	213,648	213,648	213,648	201,712	220,685	240,720							
	Dividends received	-	-	-	-	-	-	-	-	-	-	-	-							
	Fines	97,679	135,349	210,364	199,864	199,864	136,147	136,147	136,147	136,147	185,158	194,602	204,137							
	Licences and permits	27,663	30,049	33,961	30,948	30,948	35,203	35,203	35,203	35,203	38,985	40,973	42,980							
	Agency services	156,773	186,877	208,921	240,664	240,664	236,078	236,078	236,078	236,078	246,055	258,603	271,275							
	Transfers recognised - operational	2,352,858	2,816,128	3,285,158	2,135,790	2,347,700	2,399,223	2,399,223	2,399,223	2,399,223	2,618,495	2,572,624	2,718,048							
	Other revenue	1,588,507	69,724	105,667	1,421,400	1,423,015	1,424,800	1,424,800	1,424,800	1,424,800	1,458,215	1,542,541	1,613,662							
	Gains on disposal of PPE	34,665	4,872	776	5,000	5,000	-	-	-	-	5,000	5,255	5,512							
	Total Revenue (excluding capital transfers and contributions)	15,985,513	16,239,296	19,532,362	22,368,169	22,587,094	22,220,955	22,220,955	22,220,955	22,220,955	24,767,643	26,580,684	28,613,238							

Table 4 Percentage growth in revenue by main revenue source

Description	Current year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget R' 000	%	Budget Year 2013/14 R '000	%	Budget Year +1 2014/15 R '000	%	Budget Year +2 2015/16 R '000	%
Revenue by Source								
Property Rates	3,040,233	14.3%	3,540,277	16.7%	3,877,667,109	18.3%	4,168,492,140	19.6%
Property Rates - Penalties & Collection Charges	58,039	0.3%	62,392	0.3%	67,071	0.3%	72,101,257	0.3%
Service Charges - Electricity Revenue	10,547,311	49.7%	11,499,685	54.2%	12,418,145	58.5%	13,409,895	63.2%
Service Charges - Water Revenue	2,414,589	11.4%	2,574,470	12.1%	2,831,917	13.3%	3,115,109	14.7%
Service Charges - Sanitation Revenue	838,018	3.9%	862,863	4.1%	927,578	4.4%	997,149	4.7%
Service Charges - Refuse Revenue	964,611	4.5%	1,147,822	5.4%	1,269,866	6.0%	1,377,631	6.5%
Service Charges - Other	63,523	0.3%	69,772	0.3%	73,330	0.3%	76,924	0.4%
Rental of Facilities and Equipment	61,249	0.3%	61,127	0.3%	64,650	0.3%	68,287	0.3%
Interest earned - External Investments	170,100	0.8%	195,615	0.9%	215,177	1.0%	231,315	1.1%
Interest earned -Outstanding Debtors	182,231	0.9%	201,712	1.0%	220,685	1.0%	240,720	1.1%
Fines	199,864	0.9%	185,158	0.9%	194,602	0.9%	204,137	1.0%
Licenses and Permits	30,948	0.1%	38,985	0.2%	40,973	0.2%	42,980	0.2%
Agency Services	240,664	1.1%	246,055	1.2%	258,603	1.2%	271,275	1.3%
Transfers Recognised - Operational	2,347,700	11.1%	2,618,495	12.3%	2,572,624	12.1%	2,718,048	12.8%
Other Revenue	59,104	0.3%	1,458,215	6.9%	1,542,541	7.3%	1,613,662	7.6%
Gains on Disposal of PPE	5,000	0.0%	5,000	0.0%	5,255	0.0%	5,512	0.0%
Total Revenue (Excluding Capital Transfers and Contributions)	21,223,183	100.0%	24,767,643	116.7%	26,580,684	125.2%	28,613,238	134.8%
Total Revenue from Rates and Service Charges	17,926,323	84.5%	19,757,281	79.8%	21,465,574	80.8%	23,217,301	81.1%

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.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Metro. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2013/14 financial year, revenue from rates and services charges totalled R19.7 billion or 79.8% of the total income budget. This increases to R21.4 billion (or 80.8% of total income budget) and R23.2 billion (or 81.1% of the total income budget) in the respective financial years of the MTREF.

Details in this regard are contained in Table 22 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure) on page 62.

Electricity is the biggest source of income and represents R11.5 billion or 54.2% of the total income budget in 2013/14. The percentage will increase to 63.2% in the third MTREF financial year.

Property rates are the second largest revenue source totalling 16.7% or R3.54 billion. This excludes income forgone.

Operating grants and transfers totals R2.6 billion or 12.3% of total income budget in the 2013/14 financial year and moves to R2.7 billion by 2015/16.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 5 Operating Transfers and Grant Receipts

EKU Ekurhuleni Metro - Supporting Table SA18 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:									
Operating Transfers and Grants									
National Government:	2,101,156	1,476,037	1,695,378	1,876,591	2,055,413	2,055,413	2,157,928	2,288,725	2,418,990
Local Government Equitable Share	2,087,358	1,471,409	1,644,128	1,825,341	1,825,341	1,825,341	1,917,953	2,039,212	2,161,058
Finance Management	750	1,000	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Public Transport and Systems	-	-	-	-	2,500	2,500	4,000	-	-
Integrated City Development Grant	-	-	-	-	-	-	8,808	-	-
Other operating grants	13,048	3,628	50,000	50,000	226,322	226,322	225,917	248,263	256,682
Provincial Government:	225,886	209,210	275,156	259,199	247,199	247,199	460,567	283,898	299,057
Health subsidy	94,604	113,431	79,897	108,067	96,067	96,067	104,395	111,952	117,885
Ambulance subsidy	96,850	52,870	163,184	119,220	119,220	119,220	129,001	136,040	143,250
SETA	13,762	11,294	23,539	19,149	19,149	19,149	21,002	22,388	23,821
Other transfers/grants [insert description]	20,670	31,614	8,536	12,763	12,763	12,763	206,169	13,518	14,101
District Municipality:	-	-	-	-	-	-	-	-	-
Lesedi (P/JEC)	-	-	-	-	-	-	-	-	-
Other grant providers:	17,100	12,464	-	-	-	-	-	-	-
Public Contributions	-	12,464	-	-	-	-	-	-	-
Foreign Grants	17,100	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	2,344,142	1,697,711	1,970,534	2,135,790	2,302,612	2,302,612	2,618,495	2,572,624	2,718,048

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the City.

The principles set out in the Medium Term Budget Policy and Pricing Policy Statement formed the basis of tariff settings.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6% upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Rand Water bulk tariffs are beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and tariffs are largely outside the control of the City. Discounting the impact of these price increases in lower consumer tariffs will erode the City's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the City is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the City has undertaken the tariff setting process relating to service charges as follows:

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

In terms of section 15(2) of the Act, the following categories of owners have been determined:

- Residential
- Indigent owners
- Child headed households
- Pensioners
- Disability grantees/medically boarded persons
- Owners of property situated within an area affected by a natural disaster
- Municipal
- Sporting bodies
- Public benefit organizations / Non-Governmental Organisations (NGOs) and Cultural Organisations
- Protected areas
- Religious organisations
- Public and private schools, universities and colleges
- Owners of property situated within an area affected by any other serious adverse social or economic conditions
- Owners of properties used for bona fide farming purposes

In terms of section 8 of the Act, a municipality may in terms of the criteria set out in its rates policy levy different rates for different categories of rateable property, which may include categories determined according to the -

- use of the property
- permitted use of the property
- geographical area in which the property is situated.

In terms of section 15(1) of the Act, a municipality may in terms of criteria set out in its rates policy –

- exempt a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rate levied on their property; or
- grant to a specific category of owners of properties, or to the owners of a specific category of properties a rebate on or a reduction in the rates payable in respect of their properties.

Categories of owners in respect of which rebates are granted may in accordance with section 15(2) include the following:

- Indigent owners
- Owners dependant on pensions or social grants for their livelihood

- Owners temporarily without income
- Owners of property situated within an area affected by –
 - a disaster within the meaning of the Disaster Management Act
 - any other serious adverse social or economic conditions
- Owners of residential properties with a market value lower than an amount determined by the municipality; or
- Owners of agricultural properties who are bona fide farmers.

In terms of section 17 of the Act, the following rates applicable to council, are deemed to be “impermissible”:

- the first 30% of the market value of Public Services Infrastructure;
- on those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or a national botanical garden;
- on mineral rights within the meaning of paragraph (b) of the definition of “property” in section 1;
- on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality –
 - for residential purposes; or
 - for properties used for multiple purposes, provided one or more components of the property are used for residential purposes.
- on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residential residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

Assessment rates are recommended to have NO tariff increase this year. There is, however, a new valuation roll that is being introduced and this will result in an increase to most property owners. The average increase across all categories is 23%. The table below shows the amount of assessment rates payable based on the new valuation roll. The residential category is based on retaining the R150 000 exemption amount.

These values as presented are as per the new valuation roll prepared by the appointed company of valuers. The increases in the Small Holdings & farms had already been queried by the administration and the valuation company is in the process of re-checking values.

		Current Roll	New Roll - Zero Adjustment	Movement
1-01-0050	Government	59,342,737	90,877,186.00	53.14%
1-01-0100	Business & Industrial	1,372,660,165	1,794,167,828.80	30.71%
1-01-0150	Residential	1,920,620,711	2,119,480,849.40	10.35%
1-01-0200	Small Holdings & Farms	7,942,953	17,247,328.20	117.14%
1-01-0250	Vacant land	224,744,239	318,686,474.60	41.80%
1-01-0300	Other Properties	20,631,578	40,092,877.00	94.33%
1-01-0305	Property Rates Municipal	80,150,133	42,697,127.10	-46.73%
1-55-7100	Income foregone : Exempt	-556,074,231	-568,508,222.70	2.24%
1-55-7350	Income foregone : Exclusions	-40,877,123	-48,503,254.80	18.66%
		3,089,141,161.30	3,806,238,193.60	23.21%

One must also expect that the values will decrease as a result of objections that will be lodged. The projected revenue is decreased as follows to make provision for objections:

- Business and Industrial – 10%
- Residential – 5%
- Small Holdings and Farms – 30%
- Vacant Land – 10%

This reduces the increases as follows to a 12.78% increase (from a 23.21% increase).

		Current Roll	New Roll - Zero Adjustment	Movement
1-01-0050	Government	59,342,737	90,877,186.00	53.14%
1-01-0100	Business & Industrial	1,372,660,165	1,614,751,045.92	17.64%
1-01-0150	Residential	1,920,620,711	2,013,506,806.93	4.84%
1-01-0200	Small Holdings & Farms	7,942,953	12,073,129.74	52.00%
1-01-0250	Vacant land	224,744,239	286,817,827.14	27.62%
1-01-0300	Other Properties	20,631,578	40,092,877.00	94.33%
1-01-0305	Property Rates Municipal	80,150,133	42,697,127.10	-46.73%
1-55-7100	Income foregone : Exempt	-556,074,231	-568,508,222.70	2.24%
1-55-7350	Income foregone : Exclusions	-40,877,123	-48,503,254.80	18.66%
		3,089,141,161.30	3,483,804,522.33	12.78%

Based on the experience of the previous valuation roll, as well as benchmarking with other municipalities, this is viewed to be the most probable outcome of the valuation roll objections process.

In addition, growth in the property market (new developments) of 1.7% is projected. A further base adjustment on the revenue budget of 1.96% is made to ensure the budget and the new valuation roll are aligned and as such, a budgeted revenue increase of 16.45% is provided for.

The categories of rateable properties for purposes of levying rates and the proposed rates for the 2013/14 financial year are based on a 0% increase in the rate tariff from 1 July 2013 as discussed above. However, increases based on the increased valuation of

properties will have an effect on the monthly bill of property owners. The tariff from 2013/14 is contained below:

Table 6 Comparison of proposed rates to levied for the 2013/14 financial year

Category	Current Tariff (1 July 2012)	Proposed tariff (from 1 July 2013)
	R	R
Residential	0.0074	0.0074
Industrial	0.0187	0.0187
Business and Commercial	0.0149	0.0149
Farms - Agriculture	0.0018	0.0018
Farms - Commercial	0.0149	0.0149
Farms - Residential	0.0074	0.0074
Farms - Other	0.0018	0.0018
State Owned Properties	0.0149	0.0149
Municipal Properties	0.0149	0.0149
Public Services Infrastructure (PSI)	0.0018	0.0018
Private Towns	0.0074	0.0074
Smallholdings - Agriculture	0.0018	0.0018
Smallholdings - Commercial	0.0149	0.0149
Smallholdings - Residential	0.0074	0.0074
Smallholdings - Other	0.0018	0.0018
Informal Settlements	0.0074	0.0074
Mining and Quarries	0.0224	0.0224
Vacant Land	0.0298	0.0298
Protected Areas	0.0074	0.0074
National Monuments	0.0074	0.0074
Multiple Purpose	0.0149	0.0149

1.4.2 Sale of Water and Sanitation and Impact of Tariff Increases

Water tariff increase of 9.82%, which is equal to the bulk purchases increase from Rand Water, is proposed.

The Sanitation tariff increase is based on the increase in purification cost as received from ERWAT. The ERWAT increase for the 2013/2014 financial year is 7.6% and it is proposed that the sanitation tariff to our customers also be increased by 7.6%.

The Water and Sanitation department is not meeting their revenue budget at present and as such it is recommended that the baseline be adjusted to ensure that a realistic revenue budget is presented. The water revenue budget is thus only increased by 6.62% (meaning that the base revenue budget is reduced by 3.18%). No provision for growth is made. This is the last year that a base adjustment can be allowed as the increased investment in the water loss project must start yielding additional revenue as from the 2013/14 financial year.

The sanitation revenue budget is increased by 2.96% meaning that there is also a negative revenue base adjustment of 4.64%.

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

During the compilation of the **current** budget for water and sanitation provision was made for a growth rate increase of 2% and 1% improvement in efficiency. Based on the mid-year actual results it appears that the targeted additional income will not be realised and subsequently became necessary to reduce the income basis for water and sanitation sales with 3.18% and 4.64% respectively. No growth in sales has been included in the income budget for 2013/14, in order to ensure that the sales budget does not exceed the actual sales of the service.

Increases in the bulk purchases from Rand Water and treatment costs from ERWAT have the biggest impact in the setting of tariffs for each new budget cycle. The water tariffs have been adjusted with 9.82% and the waste water tariffs with 7.6% to achieve the estimated surplus as reflected in the budget. The main issues to be considered in determining the tariff increases for 2013/2014 are as follows:

Bulk Purchase of Water - Bulk purchase of water comprises 51.34% (R1,923bn) of the Water Services expenditure. At the Major Vaal River User Forum held on 18 July 2012 representatives of the Department of Water Affairs and Environment as well as the Trans Caledon Tunnel Authority announced the following increases in the Vaal River Raw Water Tariff:

	2013/14 c/kl	2012/13 c/kl	Increase %
State schemes	46,62	43,17	8,00
Augmentation schemes	220,00	208,00	5,70
Total development & use of water works	266,62	251,17	6,15

At a Rand Water Services Forum held on 17 October 2012, representatives of Rand Water submitted their tariff increase for 2013/2014 as 9.82%. This is subject to representations being made by affected role players such as Municipalities and SALGA.

Treatment Charges ERWAT - The waste water treatment services by ERWAT comprise 12.57% of the total expenditure budget of Water Services. The amount provided on the 2013/2014 budget for this service amounts to R471m and reflects an increase of 7.6% on the 2012/2013 budgeted amount. ERWAT's motivation for this increase is the growth in flow and the need to extend and improve the various Waste Water Treatment Works.

Provision for Bad Debts - The Provision for Bad Debts has been decreased from the revised budgeted amount of R251m for 2012/2013 to an amount of R91m (63.94% decrease) for 2013/2014. This is as a result of the bad debt of registered indigents which are written off as per the indigent policy being moved from the provision for bad debt line to the indigent support line.

Depreciation - The provision for depreciation has increased from the revised budgeted amount of R164m for 2012/2013 to an amount of R171m (4% increase) for 2013/2014.

Repairs and Maintenance - To address critically required maintenance and the refurbishment of water and sewer infrastructure, a 2% maintenance levy, calculated as a

percentage of total income, was approved for the 2012/2013 financial year. It is recommended that this levy be maintained at 2% for 2013/2014.

The budgeted expenditure of R 401m on repairs and maintenance represents 10,72% of the Water Services total expenditure and reflects an increase of 5,37% on the previous year's revised budget.

Free Basic Water and Sanitation - In addition 6kℓ water and sanitation per 30-day period will again be granted free of charge to all residents. A further 3kℓ water per 30-day period will again be granted free of charge to all registered indigent residents.

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

Table 7: Summary of tariffs: Water

CATEGORY	CURRENT TARIFFS 2012/13	PROPOSED TARIFFS 2013/14
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
0 – 6 kℓ per 30-day period	0	0
7 – 15 kℓ per 30-day period	9.12	10.02
16 – 30 kℓ per 30-day period	11.18	12.28
31 – 45 kℓ per 30-day period	13.92	15.29
46 – 60 kℓ per 30-day period	15.20	16.70
61 > kℓ per 30-day period	17.16	18.85
NON-RESIDENTIAL		
0 – 5 000 kℓ per 30-day period	11.96	13.14
5 001 – 25 000 kℓ per 30-day period	12.16	13.36
25 001– 50 000 kℓ per 30-day period	12.16	13.57
50 001 > kℓ per 30-day period	12.36	13.57

The residential tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R18.85 per kilolitre for consumption in excess of 61kℓ per 30-day period.

The structure of the non-residential (business and industrial) is being amended for the 2013/2014 financial year to be in line with this principle. The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling house:

Table 8: Impact of water increases for a single dwelling-house

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change %
5	0.00	0.00	0.00	0.00%
10	36.49	40.08	3.59	9.82%
20	137.98	151.58	13.60	9.82%
30	249.78	274.38	24.60	9.82%
40	388.98	427.28	38.30	9.82%
50	534.58	587.23	52.65	9.82%
80	1,029.78	1,131.23	101.45	9.82%
100	1,372.98	1,508.23	135.25	9.82%

The tariffs proposed for the sanitation service are as follows:

Table 9: Summary of tariffs: Sanitation

CATEGORY	CURRENT TARIFFS 2012/13	PROPOSED TARIFFS 2013/14
	Rand per kℓ	Rand per kℓ
RESIDENTIAL		
0 – 6 kℓ per 30-day period	0.00	0.00
7 – 15 kℓ per 30-day period	7.11	7.65
16 – 30 kℓ per 30-day period	3.02	3.25
31 – 45 kℓ per 30-day period	2.78	2.99
46 – 60 kℓ per 30-day period	2.58	2.78
61 > kℓ per 30-day period	0.94	1.01
NON-RESIDENTIAL		
0 – 5 000 kℓ per 30-day period	5.38	5.65
5 001 – 25 000 kℓ per 30-day period	2.19	3.13
25 000 > kℓ per 30-day period	1.24	2.00

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling house:

Table 10: Impact of sanitation increases on a single dwelling house

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change %
5	0.00	0.00	0.00	0.00%
10	28.44	30.60	2.16	7.60%
20	79.09	85.70	6.01	7.60%
30	109.29	117.60	8.31	7.60%
40	137.09	147.50	10.41	7.60%
50	163.89	176.35	12.46	7.60%
80	208.49	224.35	15.86	7.60%
100	227.29	244.55	17.26	7.60%

1.4.3 Sale of Electricity and Impact of Tariff Increases

Electricity is recommended to be increased by between a decrease of 7.69% and 8.5% increase.

NERSA issued a guideline for municipalities for general increase of 7% on electricity tariffs. Bulk purchases as per guideline will increase by 7,3%.

Council's existing electricity tariffs were raised to provide an income that will increase by 6.9%. This is in response to the Eskom guideline. The revised tariff will be applicable as from 1 July 2013 which is as follows:

- Tariff A IBT (average 450 kwh) -7.69%
- Tariff B +8.5%
- Tariff C and E +7.5%
- Tariff D +6.95%

As previously a figure equal to 3,0% of the income is to be ring fenced and placed into a maintenance fund that will only be used to fund critical electricity maintenance and refurbishment. At the level of increase, this maintenance fund is estimated to accumulate to a total of R317 million in the 2013/2014 financial year.

A figure equal to 0,25% of the income is to be ring-fenced and placed into an energy efficiency demand side management fund that will only be used to fund critical energy efficiency and demand side management projects. At this level of increase, this fund is estimated to accumulate to a total of R26.4 million in the 2013/2014 financial year. The fund will be used to convert Council-owned assets to become energy efficient, projects such as street light efficiency; building efficiency and possibly a large scale solar geyser roll-out subsidy may qualify.

The following table provides a brief summary of the proposed July 2013 tariff increase and structural changes:

Table 11: Summary of tariff increases: Electricity

	CURRENT TARIFFS 2012/13 R	PROPOSED TARIFFS 2013/14 R	% Increase
Tariff A (Business)			
Energy charge	1.34,00	1.45,39	8.5%
Tariff A (IBT) Energy charge			
A.1 Block (1-50 kWh)	0.60,83	Structural change	Between - 7.69% and +5.07%
A.2 Block (>50 to <=350 kWh)	0.75,09	Structural change	
A.3 Block (>350 to <=600 kWh)	1.11,42	Structural change	
A.1 Block (1 to 600 kWh)	Structural change	0.78,90	
A.2 Block (>600 to <=700 kWh)	1.22,21	1.31,99	8%
A.3 Block (>700 kWh)	2.00,00	2.20,00	10%
A.4 Flat rate in the case of a billing system that cannot accommodate the inclining block rate	0.80,00	0.80,00	0%
Tariff B (Residential and Bulk Residential) Energy charge			
Energy charge	1.08,60	1.18,00	8.65%
Tariff B (Business, Mixed business and Residential, Commercial or Industrial) Energy charge			
Energy charge(High Demand)	1.20,31	1.30,54	8.5%
Energy charge(Low Demand)	0.95,34	1.03,44	8.5%
Tariff C Energy charge			
High Demand Season			
230/400 V	1.23,55	1.32,82	7.5%
230/400 V, direct from substation	1.21.34	1.30,44	7.5%
>230/400V & < = 11kV	1.19.13	1.28,06	7.5%
Low Demand Season			

	CURRENT TARIFFS 2012/13 R	PROPOSED TARIFFS 2013/14 R	% Increase
230/400 V	0.74,07	0.79,63	7.5%
230/400 V, direct from substation	0.72,75	0.78,21	7.5%
>230/400V & <= 11kV	0.71,43	0.76,79	7.5%
Tariff D Energy charge			
High Demand Season (Peak)			
230/400 V, direct from substation	2.67,65	2.86,25	6.95%
>230/400V & <= 11kV	2.62,76	2.81,02	6.95%
>11kV	2.43,35	2.60,26	6.95%
High Demand Season (Standard)			
230/400 V, direct from substation	0.93,90	1.00,43	6.95%
>230/400V & <= 11kV	0.92,20	0.98,61	6.95%
>11kV	0.85,37	0.91,30	6.95%
High Demand Season (Off-Peak)			
230/400 V, direct from substation	0.56,64	0.60,58	6.95%
>230/400V & <= 11kV	0.55,62	0.59,49	6.95%
>11kV	0.51,53	0.55,11	6.95%
Low Demand Season (Peak)			
230/400 V, direct from substation	0.99,54	1.06,46	6.95%
>230/400V & <= 11kV	0.97,73	1.04,52	6.95%
>11kV	0.90,46	0.96,75	6.95%
Low Demand Season (Standard)			
230/400 V, direct from substation	0.65,28	0.69,82	6.95%
>230/400V & <= 11kV	0.64,09	0.68,54	6.95%
>11kV	0.59,37	0.63,50	6.95%
Low Demand Season (Off-Peak)			
230/400 V, direct from substation	0.51,53	0.55,11	6.95%
>230/400V & <= 11kV	0.50,56	0.54,07	6.95%
>11kV	0.46,81	0.50,06	6.95%
Tariff E Energy charge			
High Demand Season (Peak)			
230/400 V	3.68,43	3.96,06	7.5%
230/400 V, direct from substation	3.61,84	3.88,98	7.5%
>230/400V & <= 11kV	3.55,30	3.81,95	7.5%
>11kV	3.28,94	3.53,61	7.5%
High Demand Season (Standard)			
230/400 V	1.05,22	1.13,11	7.5%
230/400 V, direct from substation	1.03,40	1.11,10	7.5%
>230/400V & <= 11kV	1.01,47	1.09,08	7.5%
>11kV	0.93,96	1.01,01	7.5%

	CURRENT TARIFFS 2012/13 R	PROPOSED TARIFFS 2013/14 R	% Increase
High Demand Season (Off-Peak)			
230/400 V	0.62,09	0.66,75	7.5%
230/400 V, direct from substation	0.60,95	0.65,52	7.5%
>230/400V & <= 11kV	0.59,82	0.64,31	7.5%
>11kV	0.55,40	0.59,56	7.5%
Low Demand Season (Peak)			
230/400 V	1.12,03	1.20,43	7.5%
230/400 V, direct from substation	1.10,10	1.18,36	7.5%
>230/400V & <= 11kV	1.08,06	1.16,16	7.5%
>11kV	1.00,05	1.07,55	7.5%
Low Demand Season (Standard)			
230/400 V	0.73,55	0.79,07	7.5%
230/400 V, direct from substation	0.72,30	0.77,72	7.5%
>230/400V & <= 11kV	0.70,94	0.76,26	7.5%
>11kV	0.65,69	0.70,62	7.5%
Low Demand Season (Off-Peak)			
230/400 V	0.55,20	0.59,34	7.5%
230/400 V, direct from substation	0.54,26	0.58,33	7.5%
>230/400V & <= 11kV	0.53,24	0.57,23	7.5%
>11kV	0.49,30	0.53,00	7.5%

It is proposed that a letter explaining the extent of the 1 July 2013 tariff increases in the Ekurhuleni Metropolitan Municipality be distributed to all electricity customers. Newspaper articles containing the same message should be published to inform residents of the proposed tariff changes. It is further suggested that the message facility in Council's accounts be utilised to ensure that most customers receive notice of the pending increases.

Energy Department will continue to explore the Metro's mandate towards the implementation of solar geysers to lower end users of electricity, as well as the future use of renewable energies. More efficient street lights are being installed, whilst retrofits are also executed to replace old technology mercury vapour lamps and fittings.

Revenue enhancement projects will see a continued focus on un-bypassing prepayment meters (as well as protecting them), with a view to also assist Finance in achieving payment for other services, such as water. Revenue is also enhanced by the continual refinement of energy tariffs, derived from the analysis of Eskom supply tariffs, as well as those of other key players in the South African Energy market. Finally, back office work will see more business processes implemented and these will lead to better efficiencies and a better service to energy customers.

1.4.4 Waste Removal and Impact of Tariff Increases

A **Solid Waste** Increase of 15% is proposed. This will include a cleaning levy of R5 per property to be levied as from 1 July 2013 to cover the cost of non-income generating services. To assist the poor, a rebate of 15% will be granted to all residential households with a property value of less than R300 000 and a stand size of less than 300m². The revenue budget is increased by 18.99% as a result of the tariff increases, the introduction of the cleansing levy as well as increased revenue expected from the solid waste collection point audit.

Waste Management Department provides a wide range of waste management services to approximately one million formal and informal households. Approximately 1.6m tons of waste is collected and disposed of by the department annually. This is in addition to that collected and disposed of by private service providers. Waste Management provides two categories of services, viz refuse removal services to households and commercial (business) services. The Council's services include the collection and disposal of domestic, business and putrescible waste, street cleaning, area cleaning, the management of litter bins, the collection of illegally dumped waste, the collection and disposal of animal carcasses found in public places and the operation of mini sites. The commercial services, which the department provides in competition with other private waste management companies, includes the bulk collection services, the collection and disposal of hazardous waste, composting, recycling activities and the operation of landfill sites. The services can be further subdivided into core and non-core services which are either billable or non-billable, depending on the service offering. The billable services are revenue generating whilst the non-billable services are social services, the costs of which are funded through rates and taxes levied by the Metro.

The above is a traditional cradle to grave process which entails collection, transportation and disposal. The department is faced with challenges of air space availability, green-house gas emissions, increased costs of collection, transportation and disposal, illegal dumping amongst others. Implementation of the waste hierarchy requires changes in the way products are designed and manufactured in order to promote their re-use and recycling, giving effect to the concept of cradle to cradle waste management approach. Cradle to cradle management ensures that once a product reaches the end of its life span, its component parts are recovered, reused or recycled. Integrated waste management requires the implementation of a hierarchical approach to waste management, i.e. a sequential application of waste prevention/minimisation, recycling and re-use, treatment, and ultimately disposal. Hence, recycling is an integral activity in the way waste management will be implemented in the department.

The policy and strategy vision for these preventive and proactive waste management steps are, that the rate of increase of waste disposed to landfill sites will be slowed down and informal salvaging at landfills will decrease. Natural resources (renewable and non-renewable) will be better conserved, landfill air-space will be more effectively utilised, and pollution and environmental degradation will be reduced. In addition, recycling has the potential for job creation, by promoting entrepreneurs to establish community collection systems and recycling centres. Increased reliable and cost effective waste collection services will be realised by providing refuse removal services to business, in formal areas, households in informal areas, indigent households, rehabilitate illegal dumping sites, upgrading of mini-dumping sites. Waste treatment facilities, composting facilities will be developed using the capital budget provided.

The department is increasing compliance with relevant legislation governing landfill sites by extracting of methane gas, monitoring methane emissions from landfill sites, monitoring quality of underground water in respect of landfill sites, monitoring the quality of surface water in respect of landfill sites. Waste received is compacted into cells and covered daily,

maintenance of closed landfill sites will be implemented, rehabilitation of closed landfill sites, increased recycling of waste material, capacitate communities to undertake recycling, training of interested persons in recycling and other environmental issues. In addition, recycling has the potential for job creation and is a viable alternative to informal salvaging at landfills, which is undesirable due to the associated problems of health and safety. Improved education and awareness on environmental issues, conduct school programmes on environmental awareness, waste prevention, minimization, re-use, recycling, treatment and ultimately disposal.

It is recommended that, despite the fact that the current domestic tariffs are 24% below the cost (and 10% margin) level calculated by the study, the increase should be limited to 15% as per the previous MTREF indicative tariff increases. Instead, measures should be implemented to reduce the fixed costs, which will reduce the cost to levels commensurate with the current tariff levels.

The increase of 15% will include a cleaning levy of R5 per property to be levied as from 1 July 2013 to cover the cost of non-income generating services.

To assist the poor, a rebate of 15% will be granted to all residential households with a property value of less than R300 000 and a stand size of less than 300m². The revenue budget is increased by 18.99% as a result of the tariff increases, the introduction of the cleansing levy as well as increased revenue expected from the solid waste collection point audit.

The following table compares current and proposed amounts payable from 1 July 2013:

Table 12 Comparison between current waste removal fees and increases

Residential Stand Size	CURRENT TARIFFS 2012/13	PROPOSED TARIFFS 2013/14	% Increase
0 - 300 m ² (Properties with value of R300 000 and less)	R81.48	R75.39	-7.47%
0 - 300 m ² (Properties with value more than R300 000)	R81.48	R88.70	8.86%
Property Value above R300 000			
301 - 600 m ²	R95.19	R104.47	9.75%
601 - 900 m ²	R105.73	R116.59	10.27%
901 - 1200 m ²	R116.31	R128.76	10.70%
1 201- 1 500 m ²	R133.93	R149.02	11.27%
1 501- 2 000 m ²	R151.55	R169.28	11.70%
2 000 m ² +	R169.15	R189.52	12.04%

1.4.5 Other Tariff Increases

Finance Department has embarked on a process to compile a consolidated report of all sundry tariffs of all the departments. The tariffs were determined by departments and consolidated by the Finance Department.

Financial services

Refer to Annexure D - Schedule "6"

Tariffs have been reviewed and where possible compared to surrounding metropolitan councils.

The proposed increase in most cases shall be restricted to approximately 6.2% where possible to be within the limit of between 6.2% and 10%.

The following is a breakdown of the different increases:

- Valuation certificate or property related information – No increase proposed as current tariff exceeds competitive pricing in respect of both Johannesburg and Tshwane.
- Electronic extract of general valuation roll or supplementary valuation roll – New tariff added to make provision for requests for valuation downloads after implementation of 2013 general valuation roll. Substantial deviation between Johannesburg and Tshwane tariffs.
- Application for Clearance Figures: Pre-paid tariff for manual applications. No increase is proposed as current tariff exceeds competitive pricing in respect of both Johannesburg and Tshwane.
- Issuing of duplicate receipt: No increased proposed and kept in line with valuation certificate proposed fee. No comparative fees available.
- Warning Notices (excluding water and electricity notices): Aligned to electricity and water notice fees to ensure tariff standardization between services. Proposed tariff in line with Tshwane rates.
- Account Analysis Manual (excluding child account): Tariff restructured in order to accommodate variable account analysis requests. No comparative fees available.

Building plans

Refer to Annexure D - Schedule “7”

The determination of the tariffs was set in line with the tariff structure of other metropolitan municipalities and also in line with the budget instructions imposed for the determination of revenue, taking into consideration National Treasury guidelines and revenue targets set for Building Control revenue. The proposed increase in most cases could be restricted to approximately 4.9% where possible to be within the limit of between 5% and 33.33%.

The proposed increase of tariffs should not be too high as to encourage building without approval from the EMM and also not influence illegal building work.

Below is the summary of new tariffs which aim to achieve the following:

Tariff 11c: Due to the implementation of business process management (BPM), whereby building plans will be scanned, submitted and circulated electronically for consideration, it has become necessary to introduce a new tariff in order for the municipality to compensate for the service that the Council will render to its citizens.

Tariff 15b: It is proposed that fees be charged for ad hoc applications, in terms of Section 14(1A) of the National Building Regulations and Building Standards Act, 103 of 1977 as amended, for granting of permission to occupy a building, before the issue of the certificate of occupancy. The benefit, however, is that this will reduce illegal building occupation and will enhance revenue whilst complying with the requisite legislation.

Road related services

Refer to Annexure D - Schedule “8

It is proposed that the rates be increased in accordance with the annual increase in prices of civil engineering, plant and material, diesel, fuel and labour costs represented by the Producer Price Index in the proportion:

Plant: 30%; Material: 30%; Labour: 30%; Fuel: 10%.

The year on year increases in the indexes according to the Statistics South Africa and the Department of Energy are as follows:

Plant:	1.7%
Material:	3.3%
Labour:	5.5%
Fuel:	9.1%

The proposed roads tariffs increases for the 2013/14 financial year is based on an increase of 4% rounded off to the nearest R5.

Services rendered by EMPD **Refer to Annexure D - Schedule "9"**

The current tariffs for EMPD for the 2012/13 financial year were approved on 30 May 2012. The department has reviewed the current tariffs and an increase of approximately 6% for the 2013/14 financial year is proposed.

Transport Planning and provisioning **Refer to Annexure D - Schedule "10"**

The tariffs have been revised and increased by approximately 15% for the 2013/14 financial year.

The tariffs for licensing are only the sundry tariffs that Ekurhuleni charge for services. It does not include any tariffs for the rendering of licensing services on behalf of Gauteng Province. The sundry tariffs are increased to ensure that the services are rendered on an economical basis and not subsidized by ratepayers.

Services by Disaster and Emergency Services Department
Refer to Annexure D - Schedule "11" & "12"

The tariffs have been revised and increased by approximately 7.5% for the 2013/14 financial year. The increase is linked to the PPI-index and is necessitated by increases in staff costs, fuel prices and across the board increases in materials used by the Department.

The ambulance tariffs are based on a sliding scale linked to income, to make it affordable for the broad community.

Library Services **Refer to Annexure D - Schedule "13" & "14"**

EMM tariffs have been compared to those of other metropolitan municipalities: Cape Town, Tshwane and Johannesburg. It seems that Ekurhuleni charges more for some services such as copying and printing.

When the tariffs are changed, all photocopier coin boxes have to be calibrated by an external service provider at a huge cost, therefore tariffs should not be changed every year.

The cost drivers are amongst others the following:

- Maintenance and operational costs;
- Market related costs;
- The demand and cost of rendering the services; and
- The volume and length of time taken to complete activities.

Media related tariffs

- A market related decrease has been proposed for all tariffs. Tariffs were decreased or stayed the same
- Obsolete media tariff has been removed to comply with GRAP 17.
- Daisy players are only loaned to visually impaired and blind people
- The Inter-Library Loan tariff has been aligned with the National Library's tariff structure which is charging according to the weight of the book.

Membership Tariffs

A decrease in membership tariff is recommended to avoid the issue of losing members. The membership tariffs for outside members are already high and the directorate would prefer to decrease the tariffs.

Library auditoriums

The rental cost was increased last year to cater for maintenance and the cost of rendering the service. The tariffs for auditoriums should be increased again with 10% to accommodate a more realistic tariff for the use of these facilities.

Arts, Culture & Heritage Facilities

Refer to Annexure D - Schedule "15"

Motivation for development and amending the tariff Structure for Arts, Culture and Heritage as follows:

Tariffs cost increase

The core function of the directorate is that of community developmental stage. The tariffs for the direct costs services were increased with 6% as per CPIX.

New tariffs developed

New tariffs were developed for the Oliver Tambo Narrative Centre. A new development for the Directorate: Arts, Culture and Heritage.

Reduced Tariffs

No reduced tariffs for Arts and Culture.

Corrected Tariffs

Tariffs for the Multipurpose Hall in the Moses Molekwa Art Centre were added.

Sport and Recreation

Refer to Annexure D - Schedule "16"

The proposed tariffs are generally increased by approximately 200% to meet the instruction of Finance on the result based budget; however some have been increased more because the tariffs are not in line with the facilities of Metro Parks that are similar to that of Sport and Recreation.

For the first time it was taken into account the instruction issued by Finance to align tariffs with the actual operational cost assigned to each facility. These increases are motivated under the "Principles adhered to".

Sport and recreation facilities need to be marketed to promote the optimal usage of the facilities.

The department determined tariff increases in accordance with the actual costs of rendering the service and increases were also demand based. Additional income generated from the rental of the facilities will be utilized to ensure the facilities are well-maintained.

The cost of hiring facilities also allows income generation for the Council which in turn ensures that a cost effective service can be rendered to the community.

The following principles were adhered to when the tariff and by-laws were done:

- Result-based budget principles.
- Operational and overtime cost were taken into account.
- Tariffs were rounded off for administration purposes.
- A 16% increase was levied on all electrical costs.
- More categories were brought in for sport stadiums to make provision for all users.
- The professional tariffs at category A stadiums were reduced with approximately 25% as there were no bookings made in the 2012/13 financial year being too expensive.
- The 50% discount for schools and churches was cancelled as there is already a reduced tariff for it.
- Free usage is limited to off-peak usage (same as Metro Parks).
- Free use provision was made for organizations for the disabled (same as Metro Parks).
- Boksburg North Pool was decreased from a category A to B pool due to the heating system not working.
- A 50% increase in all tariffs introduced for people/organizations not residing in Ekurhuleni.
- The administration fee for cancellations was increased from 10% to 25% of the booking fee.
- All dances where tickets are sold will pay double the normal tariff.
- Time slots of all facilities were reduced from three to two as history proved that the third time slot is not used.
- Duduza hall upgraded from category D to C due to the upgrades.
- Tsakane Stadium upgraded from category B to A due to the upgrades.

Removal of Street Trees

Refer to Annexure D - Schedule "17"

The tariffs have been revised and the increase is based on the CPI rate increase for the 2013/14 financial year.

Trees are protected in terms of the by-laws approved by the Metro and published under Local Authority Notice 1120 on 27 April 2007. In 2002 Ekurhuleni Metropolitan Municipality approved the use of the Helliwell system for determining the value of a tree. The value of a tree is based on a set of internationally accepted criteria. Should a tree have to be removed its value will be determined using the Helliwell system. The actual cost of removing the tree should be added to the value of the tree when it is removed.

Both the cities of Joburg and Tshwane also use the Helliwell system for determining the value of a tree.

Cemetery and Crematoriums

Refer to Annexure D - Schedule "18"

A tariff increase of 5.6 % is recommended for burials/cremations costs for residents and non-residents except indigent burials, second and third interments and cremations for the

2013/2014 financial year. This 5.6% increase, in line with PPI together with the rearrangement of grave subsidies, will continue for at least the next four years to equalize the tariffs of immediate neighbouring metros.

The motivation for requesting the increase of the burial and cremation tariffs:

Cost recovery

- A directive from Finance to ensure council remains sustainable.
- Recover costs of overtime salaries paid due to popularity of weekend burials.

To reduce the subsidization on the burial tariffs

The ratios of subsidization over three burials have been realigned to encourage multiple burials. This is in line with the proposed Alternative Burial Strategy and may extend the current burial space crisis time limit of 9 years to 14 years.

Reducing influx of burials from non-residents

By increasing tariffs to an equitable amount with neighbouring cities it will discourage the influx of non-residents making use of EMM's subsidized burial services particularly at Kromvlei, Mooifontein and Vlakfontein cemeteries.

Encourage cremations and multiple burials as alternative burial methods

By keeping cremations at a lower price as opposed to in earth burials and applying lower increases to second and third in earth interments provides a financial motivation that may assist in popularizing cremations and multiple burials. This too is in line with the proposed Alternative Burial Strategy, Institutes National Cemeteries Association and in accordance to SALGA's summit resolution in this regard.

Standardize burial and cremation tariffs with neighbouring councils

- The standardization of burial tariffs amongst neighbouring councils will assist in providing a uniform burial service across Gauteng as proposed by Gauteng Provincial Government and further discourage the influx of non-residents making use of EMM's subsidized burial services at in particular Kromvlei, Mooifontein and Vlakfontein cemeteries.
- It is anticipated to complete this equitation of tariffs amongst the major Gauteng councils with continued application of increased burial tariffs.

The burial tariffs of EMM are lower than those of neighbouring Gauteng municipalities. The municipality's border one another and it would be advantageous to work towards having a uniform burial and cremation tariff structure. This has recently also been proposed by Gauteng Provincial Government in an attempt to assist with the regulation of the Undertaker Industry and simplify the burial process for Gauteng residents.

Last year a rearrangement of subsidies was applied to burial tariffs to encourage multiple burials in an effort to save valuable burial space wasted on single interments. The current subsidy structure allows for the biggest subsidy on the first burial and smallest on the third burial. This is not conducive in promoting multiple burials and therefore to promote a saving on scarce and valuable cemetery land resources, the subsidies will be changed to work towards a tariff structure where the smallest subsidy is applicable to the first burial and the biggest subsidy on the third burial.

Advertising signs**Refer to Annexure D - Schedule “19”**

The determination of the tariffs was set in line with the tariff structure of other metropolitan municipalities and also in line with the budget instructions imposed for the determination of revenue, taking into consideration National Treasury guidelines and revenue targets set for advertising revenue. The proposed increase in most cases is restricted to approximately 5.5% where possible.

Existing pricing policy

The Outdoor Advertising by-laws specify that pricing for billboards is as per the promulgated tariffs. These tariffs providing two pricing mechanisms - one for media owners and one for non-media owners:

- Media owners: each billboard is charged at 20% of gross profit
- Non-media owners: a flat rate is charged per square metre of the total advertisement area according to road classification.

Background on existing pricing policy

When Outdoor Advertising submitted provisional outdoor advertising approvals for sites in EMM to Department Corporate Legal Services with a request for comment on the existing pricing mechanism, several concerns were raised about the current tariffs for media owners.

Corporate and Legal indicated that:

“... The granting of the right to use Council property is done in terms of the provision of the Asset Transfer Regulations, 2008. The said regulations inter-alia requires that the granting of rights to use municipal property should be based on the market rental unless the plight of the poor demands otherwise.”

Specifically, there were concerns that:

“Outdoor Advertising determines the amount payable to Council for the display of advertising signs through a formula based on the advertising income the grantee will receive. This will conflict with the Asset Transfer Regulations as the rental income due to Council is unknown at the conclusion of the agreement. Therefore, the possibility exists that the grantee may not receive any advertising income during the agreement period, resulting in the granting of such a right as defective.”

It was therefore requested that Outdoor Advertising develop a pricing mechanism that is both market related and which ensures that Council receives at least some income over the course of the lease. It was suggested that the services of the Council valuer, Evaluation Services, be utilized in determining the market rental applicable.

The challenge with this approach is that the market value of a land parcel differs substantially depending on the intended use, particularly when comparing property development to erecting an advertising sign. For example, the value of a road reserve with limited development rights will be much lower than the value of an adjacent plot to a property developer, but the site closer to the road will be more valuable to a media owner. It would therefore be difficult for anyone except an expert out-of-home media

evaluation service to provide an accurate view on the market related price of a potential advertising sign's site.

There are also several practical challenges to using a valuer to determine the price of each advertising sign's site. The first is the cost involved, as obtaining evaluations from a sworn assessor incurs a cost of approximately R1,600 per site which may not be justifiable for lower value advertising sign's sites. Secondly, this process needs to be repeated on a site-by-site basis each time a lease is reviewed or an application is submitted for a new site. Finally, it is also difficult to evaluate the price of a sign erected on the side of a building using this method.

The valuation method used by media owners is very different from the one proposed by the Department Corporate Legal Services in that it is based purely on the value of the site to the advertiser. This alternative approach was the reason why a percentage income model was originally developed in order to align with the true market prices which are based on:

- Traffic flow past the site.
- The socio-economic bracket of the people who view the site.

City Planning

Refer to Annexure D - Schedule "20"

Principles and points of departure incorporated in the application fees

- Town planning in municipalities has never been a commercial service of Councils. The planners are salaried employees and part of the job is the handling of applications in terms of the applicable legislation as well as the dissemination of information and provision of developmental advice. The fees therefore do not necessarily reflect the time allotted to the process and finalization of an application;
- All successful applications for change in land use inevitably result in higher rates and taxes in perpetuity, which in any case exceed any application fee by far. The long term benefits will therefore exceed the short term income from excessive or higher application fees;
- Fees were compared with the fees from Tshwane and Joburg and in some cases the new fees were increased to compare better with the other metros' fees.
- The Land Use tariffs have increased with 5% in line with CPIX, while GIS tariffs have increased on average of 15% to ensure full cost recovery for this specialised service. The increase is also demand-based and servicing a niche market. It is further in line with Tshwane and Joburg metros.
- Alternatively, in some instances the fees are rather high to "discourage" certain types of applications, e.g. consolidation applications are legally more acceptable than notarial ties. The compilation of Section 125 Map 3 has also been increased to encourage the applicants to rather provide the final document since the department is experiencing difficulties in compiling these documents;
- The fees are structured in such a way to still be competitive and to attract development (developmental approach) as well as with service delivery in mind;
- The fees have also been structured in such a way as to be more simplified, grouped and standardised to ease matters for front desk personnel. The figures are rounded off and do not deviate substantially in respect of comparable types of applications;
- Principles as set out in the current policies of the department were also used as a guideline in determining some of the fees e.g. township establishment vs. rezonings in that applicants should not be discouraged from submitting township applications due to excessive application fees;

- No fees should be charged for government related and housing projects /applications;
- Certain principles in the standardising of advertising applications in the press and on-site with a view to achieve administrative justice have also been implemented to ensure uniformity between CCAs;
- The standardised set of application fees in terms of the Gauteng Removal of Restrictions Act, No. 3 of 1996 is not mentioned in the table as contained in Schedule 20 these need not be promulgated as part of the Council’s fee structure.

Environmental Health

Refer to Annexure D - Schedule “22”

The Ekurhuleni Public Health By-Laws dated 23 September 2009, provide in schedule 2 Part A, a list of activities for which a permit is required. Tariffs have been set that the public is required to pay in order to obtain any of the listed permits.

In the process of determining the tariffs increase for 2013/14 financial year, tariffs that are charged by other adjacent metropolitan municipalities such as cities of Johannesburg and Tshwane were considered.

Bus Service

Refer to Annexure D - Schedule “23”

The escalating price of diesel, tyres, lubricants and spare parts, as well as salary increases makes it imperative to increase bus tariffs at least once per annum. The prices of certain components increase to a magnitude much higher than that of the official inflation rate as expressed by the CPI.

Although the EMM Bus Services have always been operating at a loss, an attempt must be made to recover most of the operating expenditure incurred and therefore tariffs, as the only source of revenue for the bus services, have to be adjusted on an annual basis. For the 2011/2012 financial year the bus services operated at a loss of R31,476,077.28 and for the 2012/2013 financial year a loss of approximately R32,139,572.00 is projected.

Scheduled Bus Trips

In order to ensure that the EMM bus fares are indeed market-related compared to the fares that are being charged by alternative modes of transport, cognizance needs to be taken of the tariffs being charged by the mini-bus taxis and other bus operators such as Putco who operate in the same area. Putco operates several buses, mainly during peak periods between Vosloorus and Boksburg. The tariff being charged by Putco in respect of the above route is R18.00 per trip cash fare and R15.70 per trip if a 10 trip multi-journey coupon is used. Putco also operates buses between Katlehong and Johannesburg at R15.00 per trip cash or R13.90 per trip for a 10 trip multi-journey coupon. In the Boksburg area, taxis operating between Vosloorus and Boksburg currently charge R13.00 per trip, irrespective of whether the passenger is an adult or a scholar. In the Germiston area, taxis operate between Katlehong and Germiston currently at a rate of between R12.00 and R14.00 per passenger per trip, and also between Germiston and Johannesburg at R10.00 per passenger per trip. No distinction is made between adults and scholars on any of the above routes. The possibility that Putco and the taxi industry will increase their fares cannot be excluded.

Various other factors such as salaries, maintenance and repair costs and other general expenses have necessitated the required increase in the bus tariffs. The private sector in general operates at lower costs as their employees are remunerated at lower salary scales compared to the municipal bus services and the operating conditions are different as their work schedules are designed in such a way that they are able to work on weekends without claiming overtime.

Taking the above into consideration, as well as the fact that Council has no control over factors which have an impact on operational costs, it is proposed that the following tariff structure for the Municipal Bus Service be considered and approved by Council for implementation with effect from 1 July 2013.

It is proposed that the cash tariff be increased by a higher percentage than multi-journey coupons in order to discourage the use of cash as a method of payment and rather promote the use of smartcards (multi-journey coupons) so that bus drivers do not have to handle any cash and thereby reducing the risk of pilferage by drivers.

The average increase is 7.04%. The percentage increases as indicated compares well with the average salary increases that were paid by the various industries during the last year.

In order to provide a more user-friendly payment system for commuters, ticket prices have also been rounded off to the nearest 50 cents. The recommended tariff adjustments will not necessarily assist in decreasing the annual deficit being experienced by the bus services and may only have the effect of maintaining the current deficit situation.

Special Bus Services

Beside the normal scheduled bus services, special bus services for various occasions such as funerals, sport events, educational uses, etc. are also rendered.

Due to the procurement of a number of new buses during the past few financial years, the overall image and quality of services rendered increased considerably. This in turn, resulted in a rise in the demand for EMM buses, which simultaneously coincided with a substantial increase in private hire revenue. Taking the continuing escalating cost of living into account it is necessary, for the 2013/2014 financial year.

Due to the continuous increase of various cost factors as indicated in the beginning of this report the running cost to operate a bus is currently in the region of R10.50 per kilometre but excludes several other cost factors such as insurance, telephone, rent, rates and taxes etc. as these costs are not specifically charged-out to the bus services and can thus not be brought into consideration. In addition provision must also be made for unforeseen occurrences such as break downs, accidents etc. and for this purpose it is advisable to add an additional 25% to the running cost of R10.50 in order to recover these expenses.

Currently the special bus services are running at a substantial loss. This can mainly be attributed to the fact that bus drivers are being paid overtime for all special hire trips as it falls outside the allowable working hours of 40 hours per week per bus driver. A bus driver is currently remunerated at a rate of R89.12 per hour normal time, R133.68 per hour for time and a half and R178.24 per hour for double time (Sunday and public holidays). The hourly rate being charged for special hire services is currently R100.00 at time and a half and R170.00 at double time. This results in a shortfall of R33.68 per hour in respect of time and a half and R8.24 per hour in respect of double time. This anomaly is in the process of being rectified but in an attempt to soften the impact of a sudden sharp increase, it will rather be done gradually over a period of time.

Cognisance must also be taken of the salary increase (estimated at about 6.5%) negotiated for July 2013 as this will have an influence on these tariffs. This increase will increase the tariffs above to R94.91 per hour normal time, R142.37 per hour for time and a half and R189.82 per hour for double time.

Hire or Use of Facilities in Parks

Refer to Annexure D - Schedule "24"

Council approved the 2012-2013 tariff structure for the Hire of or Use of Facilities in Parks in May 2012. The proposed tariffs are generally increased by approximately 10%; however some have been increased more because substantial development or upgrading has taken place during the past year or two.

The proposed tariffs have been rounded off to the nearest Rand to assist with the accounting practices of Council.

The recently accepted returnable deposit applicable for the use of many facilities has substantially discouraged vandalism to the applicable facilities.

Metro Parks facilities need to be marketed to promote the optimal usage of the facilities.

DISCUSSION

Tariffs are normally increased annually as a cost recovery exercise to keep abreast with inflation and the rising costs of maintenance. The cost of hiring facilities also allows income generation for the Council which, in turn, ensures that a cost effective service can be rendered to the community.

The proposed tariffs are therefore increased by approximately 10%, unless otherwise motivated. EMM tariffs have been compared to those of other metros around the country where similar tariffs exist.

Motivation

Tariff increases and deposits

All tariffs have been increased by approximately 10% (including VAT), and rounded off to the nearest Rand. Over the past few years many parks and facilities within them have been developed or upgraded at huge capital expense. It is therefore proposed that some tariffs be increased above the nominal 10%, for example:

- Hire of Category “A” Lapas

The Boat House situated at Boksburg Lake was completely revamped and an increase of 33% is proposed;

Conditions for use of a facility

The decision that the Mayoral Committee and heads of department may use Parks facilities for official functions at 50% of the approved tariff remains.

Conditions specific to a particular facility are listed directly below that facility, whilst those of a general nature remain at the end of the schedule of tariffs. An exclusion clause regarding the use of facilities has been introduced to the tariffs in line with some other municipalities, in order to protect Council. Council through the Head of Department: Environmental Resource Management may cancel or stop an event which it considers not to be in the interest of Council or where the organizers have failed to comply with the stipulated conditions.

There is an urgent need that Metro Parks facilities be marketed to encourage the optimal use of the facilities provided.

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Table 13 MBRR Table SA14 – Household bills

EKU Ekurhuleni Metro - Supporting Table SA14 Household bills											
Description	Ref	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'	1										
Rates and services charges:											
Property rates		275.00	297.92	316.25	339.17	339.17	339.17	3.8%	351.89	378.28	406.65
Electricity: Basic levy		-	-	21.04	23.36	23.36	23.36	8.5%	25.35	29.00	33.18
Electricity: Consumption		542.50	835.50	978.00	1,086.00	1,086.00	1,086.00	8.7%	1,180.00	1,274.40	1,376.35
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		174.60	201.60	227.55	249.78	249.78	249.78	9.8%	274.38	301.82	332.00
Sanitation		72.30	85.86	98.76	109.29	109.29	109.29	7.6%	117.60	126.42	135.90
Refuse removal		69.52	79.95	91.94	105.73	105.73	105.73	10.3%	116.59	128.25	137.87
Other		-	-	-	-	-	-	New	5.00	5.50	5.91
sub-total		1,133.92	1,500.83	1,733.54	1,913.33	1,913.33	1,913.33	8.2%	2,070.81	2,243.66	2,427.86
VAT on Services		120.25	168.41	198.42	220.38	220.38	220.38	9.2%	240.65	261.15	282.97
Total large household bill:		1,254.17	1,669.24	1,931.96	2,133.71	2,133.71	2,133.71	8.3%	2,311.46	2,504.81	2,710.83
% increase/-decrease			33.1%	15.7%	10.4%	-	-		8.3%	8.4%	8.2%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		175.00	189.58	201.25	215.83	215.83	215.83	9.1%	235.45	253.11	272.09
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		271.25	417.75	415.70	422.82	422.82	422.82	(6.7%)	394.50	426.06	460.14
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		135.60	156.60	176.75	193.88	193.88	193.88	9.9%	212.98	234.28	257.71
Sanitation		62.45	74.16	85.31	94.19	94.19	94.19	7.6%	101.35	108.95	117.12
Refuse removal		69.52	79.95	91.94	105.73	105.73	105.73	10.3%	116.59	128.25	137.87
Other		-	-	-	-	-	-	New	5.00	5.50	5.91
sub-total		713.82	918.04	970.95	1,032.45	1,032.45	1,032.45	3.2%	1,065.87	1,156.15	1,250.84
VAT on Services		75.43	101.98	118.02	114.33	114.33	114.33	1.7%	116.26	126.43	137.03
Total small household bill:		789.25	1,020.02	1,088.97	1,146.78	1,146.78	1,146.78	3.1%	1,182.13	1,282.58	1,387.87
% increase/-decrease			29.2%	6.8%	5.3%	-	-		3.1%	8.5%	8.2%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		161.88	237.50	244.50	187.73	187.73	187.73	5.1%	197.25	213.03	230.07
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		77.40	89.40	100.90	110.62	110.62	110.62	9.9%	121.52	133.67	147.04
Sanitation		38.35	45.54	52.39	57.76	57.76	57.76	7.6%	62.15	66.81	71.82
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
sub-total		277.63	372.44	397.79	356.11	356.11	356.11	7.0%	380.92	413.51	448.93
VAT on Services		38.87	52.14	55.69	49.86	49.86	49.86	7.0%	53.33	57.89	62.95
Total small household bill:		316.49	424.58	453.48	405.97	405.97	405.97	7.0%	434.25	471.40	511.78
% increase/-decrease			34.2%	6.8%	(10.5%)	-	-		7.0%	8.6%	8.6%
References											
1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water											
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water											
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)											

Cognisance must be taken of the following factors affecting the average monthly household bills as indicated in the above schedule:

- No increase in the assessment rate tariff is proposed. However, a new valuation roll will come into effect from 1 July 2013. The increases as reflected for assessment rates represent the average increase of valuation for the various type of households
- Although an average increase in the valuation of the property is indicated, it must be emphasized that the valuation certain properties are increasing with more than

50% whilst some properties within the same category is decreasing as much as 20%.

- The calculation with regard to electricity is based on the assumption that tariff B would be applicable for middle income households. These households are not entitled for free basic electricity. Tariff A (IBT) is applicable for the average/small household in the above example and therefor entitled for 100 kWh free basic electricity.
- All consumers are receiving 6kl water free, whilst indigents are receiving 9kl water free.

1.5 Operating Expenditure Framework

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

- The asset renewal and the repairs and maintenance requirements as identified in the backlog study.
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit, of which there is none;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal needs and backlog eradication goals;
- The prioritization of capital needs was based on the Capital Investment Framework.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

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

Table 14 Summary of operating expenditure by standard classification item (Table A4)

Description	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework					
	Audited Outcome	2010/11 Audited Outcome	2011/12 Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Expenditure By Type										
Employee related costs	3,971,687	3,800,446	4,109,532	4,608,602	4,509,764	4,090,507	4,090,507	5,134,073	5,472,921	5,823,188
Remuneration of councillors	62,513	66,908	79,406	103,326	103,326	102,157	102,157	97,286	103,707	110,344
Debt impairment	1,417,263	1,445,304	1,570,905	1,256,869	1,256,869	1,280,668	1,280,668	1,144,566	1,250,492	1,364,277
Depreciation & asset impairment	484,108	2,068,687	2,029,144	1,241,274	1,361,274	1,287,549	1,287,549	1,312,896	1,378,540	1,447,467
Finance charges	307,458	382,613	453,418	580,158	580,158	558,574	558,574	685,215	924,964	896,407
Bulk purchases	5,150,063	6,435,217	7,930,516	8,996,275	8,998,275	8,976,247	8,976,247	9,686,163	10,497,178	11,376,746
Other materials	1,566,523	1,781,722	1,737,189	1,955,295	1,967,819	1,864,719	1,864,719	2,118,929	2,250,519	2,386,978
Contracted services	563,520	614,834	684,663	755,825	800,499	663,509	663,509	810,490	876,085	946,172
Transfers and grants	57,093	134,180	426,285	1,137,904	997,904	965,060	965,060	1,003,679	1,077,451	1,156,510
Other expenditure	1,815,372	1,139,099	1,197,375	1,704,832	1,980,897	1,971,674	1,971,674	2,615,640	2,625,892	2,786,010
Loss on disposal of PPE	926	24,773	21,039	25,000	25,000	-	-	25,000	25,000	25,000
Total Expenditure	15,396,526	17,893,784	20,239,472	22,365,360	22,581,785	21,760,665	21,760,665	24,633,937	26,482,750	28,319,099
Surplus/(Deficit)	588,987	(1,654,487)	(707,110)	2,810	5,310	460,290	460,290	133,706	97,933	294,139
Transfers recognised - capital	523,968	581,561	1,272,382	1,412,402	1,193,456	1,241,609	1,241,609	1,691,438	1,750,180	1,835,609
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	(130,000)	(95,000)	(290,000)
Surplus/(Deficit) after capital transfers & contributions	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648
Taxation										
Surplus/(Deficit) after taxation	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648
Share of surplus/ (deficit) of associate										
Surplus/(Deficit) for the year	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648

The budgeted allocation for employee related costs for the 2013/14 financial year totals R5.2 billion, which equals 20.4% of the total operating expenditure. Salary increases of 7.0% was provided in 2013/14. With the additional provision for various job creation programmes as set out in the discussion regarding flagship projects, the total increase in salaries amounts to 14.63% compared to previous year's adjustment budget. An annual increase of 6.6% and 6.4% respectively has been included in the two outer years of the MTREF. As part of the Metro's cost reprioritization and cash management strategy a number of vacancies are still frozen for the MTREF period. To provide for critical and strategically important vacancies that may arise during the Institutional Review process, an amount of R55 million has been provided for new positions in the 2013/14 financial year.

A detailed analysis is supplied with the discussion regarding employee related costs as set out in MBRR Tables SA22 -24 as appear in this document.

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 Metro's budget. An increase of 7% has been provided in the 2013/14 financial year. The fact that the total budget for councillor remuneration is reflecting a negative increase is due to the fact that an amount of R9m was previously budgeted for the remuneration of ward committee members. The stipend payable to ward committees is not regarded as a councillor remuneration and was subsequently corrected to reflect as a salary cost.

The provision of debt impairment was determined based on an annual collection rate of 93% and the Debt Write-off Policy of the Metro. For the 2013/14 financial year this amount equates to R1.144 billion and escalates to R1.364 billion by 2015/16. In addition, an amount of R460 million has been provided for the write off of debt of registered indigents (provided for under the indigent support line item in the grants and subsidies category. This brings the total provision for bad debt to R1.604 billion. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R2.2 billion for the 2013/14 financial and equates to 8.94% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 2.68% (R685 million) of operating expenditure excluding annual redemption for 2013/14 and increases to R896 million by 2015/16.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Rand Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Repairs and maintenance comprise of amongst others the purchase of materials for maintenance, staff cost of dedicated maintenance personnel as well as the appointment of external contractors to perform maintenance works. In line with the Metro's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of

the Metro’s infrastructure. For 2013/14 the appropriation against this group of expenditure has grown by 7.47% (R147 million).

Contracted services have been identified as a cost saving area for the Metro. As part of the compilation of the 2013/14 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2013/14 financial year, this group of expenditure totals R811 million and has escalated by 2.13%. For the two outer years provision was increased with 8% for 2014/15 and 2015/16.

The following table gives a breakdown of the main expenditure categories for the 2013/14 financial year.

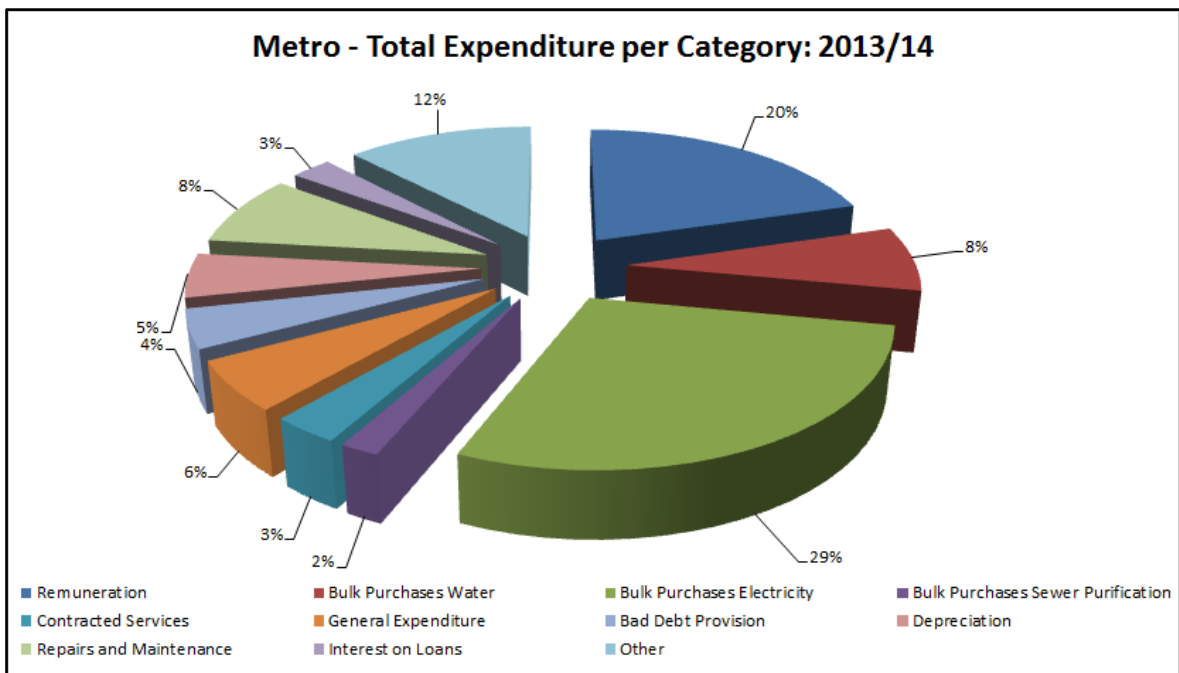


Figure 1 Main operational expenditure categories for the 2013/14 financial year

1.5.1 Repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Metro's current infrastructure, the 2013/14 budget and MTREF provide for growth in the area of asset maintenance, as informed by the asset renewal and repairs and maintenance requirements of the Metro. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. The following table is extracted from MBRR Table SA1 to reflect the amount provided for repair and maintenance in context with the amounts provided for PPE, depreciation and the renewal of assets:

Table 15 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	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Repairs and Maintenance by Expenditure Item										
Employee related costs	-	-	-	694,936	694,936	694,936	694,936	722,326	769,999	819,279
Other materials	1,566,523	1,781,722	1,737,189	1,260,360	1,272,883	1,169,783	1,169,783	1,396,604	1,480,519	1,567,699
Contracted Services	-	-	-	-	-	-	-	-	-	-
Other Expenditure	-	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1,566,523	1,781,722	1,737,189	1,955,295	1,967,819	1,864,719	1,864,719	2,118,929	2,250,519	2,386,978

The table below provides a breakdown of the repairs and maintenance in relation to asset class as summarised from MBRR SA34c:

Table 16 Repairs and maintenance per asset class

EKU Ekurhuleni Metro - Supporting Table SA34c Consolidated repairs and maintenance 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	1,286,587	1,371,859	1,377,514	1,498,875	1,498,433	1,487,233	1,620,454	1,724,618	1,833,104
Infrastructure - Road transport	438,021	453,172	392,310	435,039	435,591	430,134	468,365	494,538	521,208
<i>Roads, Pavements & Bridges</i>	403,893	421,024	360,101	402,361	391,188	396,963	433,025	457,034	481,481
<i>Storm water</i>	34,128	32,148	32,209	32,678	44,403	33,171	35,341	37,504	39,727
Infrastructure - Electricity	471,406	532,544	582,466	634,274	634,966	623,431	695,939	744,377	795,464
<i>Transmission & Reticulation</i>	428,131	486,199	534,461	579,550	580,242	568,900	636,846	681,613	728,924
<i>Street Lighting</i>	43,274	46,345	48,005	54,724	54,724	54,531	59,093	62,763	66,539
Infrastructure - Water	248,183	262,002	263,802	299,760	295,074	296,763	312,912	334,352	356,806
<i>Reticulation</i>	248,183	262,002	263,802	299,760	295,074	296,763	312,912	334,352	356,806
Infrastructure - Sanitation	75,974	70,635	85,982	74,202	76,202	81,625	80,294	85,196	90,231
<i>Reticulation</i>	75,974	70,635	85,982	74,202	76,202	81,625	80,294	85,196	90,231
Infrastructure - Other	53,005	53,506	52,953	55,600	56,600	55,280	62,944	66,154	69,396
<i>Waste Management</i>	53,005	53,506	52,953	55,600	56,600	55,280	62,944	66,154	69,396
Community	42,788	45,186	43,852	57,349	63,273	59,675	73,418	77,222	81,070
Parks & gardens	10,077	12,199	11,968	15,775	17,839	17,770	18,214	19,143	20,081
Sportsfields & stadia	479	235	2,361	2,474	2,571	2,450	2,728	2,867	3,007
Swimming pools	241	247	649	511	511	483	536	564	591
Community halls	960	1,506	5,846	4,473	4,642	4,250	5,476	5,755	6,037
Libraries	1,282	910	1,815	948	1,488	1,224	885	930	976
Recreational facilities	-	-	160	176	168	161	184	193	203
Fire, safety & emergency	1,223	5,621	1,400	1,468	960	1,008	2,376	2,497	2,619
Security and policing	348	271	276	209	359	281	335	352	369
Buses	11,074	9,225	12,743	15,422	15,422	14,600	16,760	17,675	18,605
Clinics	86	42	10	30	0	0	-	-	-
Museums & Art Galleries	23	42	5	36	36	6	-	-	-
Cemeteries	-	495	972	-	3,450	2,350	2,503	2,631	2,760
Social rental housing	16,994	14,394	5,647	15,827	15,827	15,092	23,421	24,615	25,821
Heritage assets	75,640	85,274	100,420	134,124	134,124	75,067	145,618	153,659	161,844
Other	75,640	85,274	100,420	134,124	134,124	75,067	145,618	153,659	161,844
Investment properties	9,278	18,777	22,401	26,272	26,272	25,572	26,410	28,523	30,804
Other	9,278	18,777	22,401	26,272	26,272	25,572	26,410	28,523	30,804
Other assets	152,230	260,625	193,002	238,675	245,716	217,170	253,029	266,497	280,155
General vehicles	54,372	70,877	70,750	100,740	101,271	94,954	100,392	105,965	111,639
Specialised vehicles	33,500	33,500	35,675	49,305	48,791	46,552	44,701	47,092	49,517
Computers - hardware/equipment	41,988	33,642	67,071	69,660	69,580	69,530	67,488	70,930	74,405
Furniture and other office equipment	20,916	121,424	16,641	17,773	20,304	14,623	16,088	16,908	17,737
Civic Land and Buildings	1,455	1,182	2,865	1,197	1,787	1,511	24,360	25,602	26,857
Total Repairs and Maintenance Expenditure	1,566,523	1,781,722	1,737,189	1,955,295	1,967,819	1,864,718	2,118,929	2,250,519	2,386,978
Specialised vehicles	33,500	33,500	35,675	49,305	48,791	46,552	44,701	47,092	49,517
Refuse	28,421	27,613	28,373	39,541	38,591	36,999	34,694	36,541	38,414
Fire	5,079	5,887	7,301	9,764	10,200	9,553	10,007	10,551	11,104
R&M as a % of PPE	3.4%	4.2%	4.1%	4.1%	4.1%	4.0%	4.4%	4.6%	4.8%
R&M as % Operating Expenditure	10.2%	10.0%	8.6%	8.7%	8.7%	8.6%	8.6%	8.5%	8.4%

The total amount budgeted for repairs and maintenance in the 2013/14 financial year amounts to R2.118 billion. For the 2013/14 financial year 76% or R1,620 billion of repairs and maintenance will be spent on infrastructure assets. Electricity infrastructure has received a significant proportion of the infrastructure allocation, totalling 42% (R695m), followed by road infrastructure 26% (R433m), water at 19% (R313m) and sanitation at 4% (R80m). Community assets have been allocated R73m of total repairs and maintenance equating 3% of total repairs and maintenance. Social Rental Housing was allocated R23.4m and this forms part of Community assets which constitutes 31% of total community assets. The amount of R253 million (11% of total repair and maintenance) for other assets, relates mainly to the repair and maintenance of vehicles, IT equipment and Council buildings.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Metro's Indigent Policy.

Provision of Free Basic Services and support to residents of informal settlements. Free basic services provided are valued at R2.354 billion and comprise:

- Free basic water of 6kl per household per month (R327.6m p.a.)
- Free basic sewer of 6kl per household per month (R269.9m p.a.)
- Additional free basic water of 3kl per household per month to indigent households (R12.9m p.a.)
- Additional free basic sewer of 3kl per household per month to indigent households (R10.3m p.a.)
- Provision of chemical toilets to informal settlements (R160,9m p.a.)
- Provision is made for free basic electricity of 100kWh per month to all Tariff A users with an average consumption of less than 450kWh per month (R210m p.a.)
- Free basic electricity to Eskom supply areas (R60m p.a.) – this amount is based on the FBE rate as per the NERSA guidelines and is further based on the number of registered indigents in the areas where Eskom supplies electricity to EMM residents.
- Once a week residential refuse round collection at no cost to indigent households (R33.8m p.a.)
- Provision of a refuse collection service to informal settlements (not individual round collections, service performed by contractor) (R22.8m p.a.)
- First R150 000 assessment rates exemption to residential properties (R578m p.a.)
- 100% assessment rates rebate to indigent households (R24.9m p.a.)
- Additional assessment rates rebates to pensioners (R44.3m p.a.)
- Excess consumption of indigents which are written off on a monthly basis as per the indigent management policy (R459.7m p.a.)
- Supply of water to informal settlements (R5.1m p.a.)

These free basic services and indigent support are R437m more than what the equitable share grant is. One of the matters being investigated as part of the medium term budget policy is the alignment of social support with National policies to ensure the cost does not exceed the equitable share. This will include the review of the R150 000 assessment rates exemption to households (the Municipal Property Rates Act stipulates that the first R15 000 must be exempted). It could also include the review of the provision of 6kl of free basic water and sanitation to all households

and not only to indigent households. However, in lieu of other mitigating factors such as the implementation of a new valuation roll it is foreseen that the provision of the mentioned free basic services will only be addressed in the 2014/15 budget cycle.

Further detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 28 MBRR A10 (Basic Service Delivery Measurement) on page 78.

1.6 Capital expenditure

The evaluation of the project proposals was based on four key criteria:

- Compliance with Draft Capital Investment Framework (CIF) – projects were evaluated by the City Planning Department.
- Compliance with the USDG Framework and Housing Strategy - projects were evaluated by the Human Settlements and City Planning Departments.
- Practical implementation - projects were evaluated by the EPMD Department.
- Economic impacts of projects - projects were evaluated by the Economic Development Department.

The capital budget will be funded as follows:

- **USDG grant** – Allocations as per the 2013 Division of Revenue Act (DoRA) - based on Housing department integrated planning and funding strategy and in compliance with the USDG framework
- **Other grant funding** - Allocation for all the external funds as per the 2013 Division of Revenue Act (DoRA) and the Provincial gazette - to fund social projects that will not necessarily generate revenue
- **Municipal bonds** - to fund economic infrastructure that will stimulate economic growth and job creation
- **Cash generated from revenue** - to fund movable assets
- **Project Finance** – to fund the water loss eradication programme

The capital programme is aligned to the asset renewal needs and backlog eradication goals and as such 40% of the total capital amount will be utilised for asset renewals. Operational gains and efficiencies will be directed to funding the capital budget. Strict adherence to the principle of no project plans no budget, if there is no business plan, no funding allocation can be made.

Projects already approved and already commenced with that have to be completed during the 2013/2014 to 2015/2016 financial period, were allocated the funding as per the approved MTREF.

Projects previously approved in the 2012/2013 to 2014/2015 MTREF but not yet planned nor commenced with, were subjected to departmental project prioritisation taking changed priorities and service delivery pressures into account.

Projects were subjected to project prioritisation based on a capital prioritization model that is informed by Capital Investment Framework to be used in 2013/2014 financial year (and beyond) budget preparation. The various categories in the project prioritisation model carry the following budget requests:

- Economic Development – R655,692,185 (22%)
- Upgrading and Renewal – R1,430,090,005 (48%)
- Urban Restructuring – R895,150,520 (30%)

The National Treasury has set a benchmark of 39% - 40% of the capital budget to be spent on renewal projects and this was taken into account. This budget allocates 48% for asset renewals.

Impact of proposed projects on the operational budgets of future years was evaluated. It is not sustainable to construct facilities where there are not sufficient operating funds available to operationalize the facilities.

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 17 2013/14 Medium-term capital budget per vote

Vote 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								
Chief Operating Officer	6,802	0.27%	120	0.004%	80	0.003%	80	0.002%
City Manager	420	0.02%	440	0.01%	220	0.01%	180	0.01%
City Planning	5,760	0.23%	3,800	0.13%	4,100	0.13%	4,400	0.13%
Communications and Marketing	260	0.01%	280	0.01%	290	0.01%	310	0.01%
Corporate Legal Services	5,945	0.23%	5,033	0.17%	4,940	0.16%	4,955	0.15%
Council General	1,000	0.04%	10,000	0.34%	30,000	0.96%	100,000	2.97%
Customer Relations Management	25,850	1.01%	65,393	2.19%	43,700	1.40%	15,850	0.47%
Disaster & Emergency Management Services	105,119	4.11%	68,868	2.31%	89,295	2.86%	96,780	2.87%
Economic Development	52,372	2.05%	68,520	2.30%	52,570	1.69%	62,240	1.85%
EMPD	52,500	2.05%	51,135	1.72%	55,150	1.77%	56,035	1.66%
Energy	400,175	15.65%	353,751	11.87%	526,150	16.86%	650,760	19.32%
Environmental Resources Management	75,937	2.97%	83,688	2.81%	91,020	2.92%	147,545	4.38%
EPMO	–	0.00%	220	0.01%	180	0.01%	180	0.01%
Executive Office	1,043	0.04%	4,163	0.14%	2,663	0.09%	7,213	0.21%
Finance	19,105	0.75%	13,490	0.45%	12,040	0.39%	6,740	0.20%
Fleet Management	16,082	0.63%	21,550	0.72%	10,435	0.33%	25,005	0.74%
Health & Social Development	109,165	4.27%	91,410	3.07%	129,200	4.14%	163,800	4.86%
Human Resources Management & Development	580	0.02%	540	0.02%	592	0.02%	910	0.03%
Human Settlements	75,799	2.96%	70,530	2.37%	120,980	3.88%	176,080	5.23%
ICT	149,265	5.84%	153,090	5.14%	141,508	4.54%	49,100	1.46%
Institutional Strategy, M&E and Research	220	0.01%	560	0.02%	260	0.01%	260	0.01%
Internal Audit	485	0.02%	361	0.01%	388	0.01%	405	0.01%
Legislature	9,800	0.38%	7,300	0.24%	3,800	0.12%	3,300	0.10%
Real Estate	113,692	4.45%	178,460	5.99%	138,280	4.43%	157,010	4.66%
Risk Management	–	0.00%	220	0.01%	180	0.01%	180	0.01%
Roads and Stormwater	581,300	22.73%	648,095	21.74%	624,750	20.03%	684,900	20.33%
SRAC	115,104	4.50%	167,550	5.62%	91,400	2.93%	83,911	2.49%
Transport	89,102	3.48%	373,634	12.53%	371,993	11.92%	317,048	9.41%
Waste Management	136,733	5.35%	120,032	4.03%	141,917	4.55%	163,800	4.86%
Water & Sanitation	408,124	15.96%	418,700	14.05%	431,717	13.84%	389,850	11.57%
Total Capital Budget	2,557,739	100%	2,980,933	100%	3,119,799	100%	3,368,826	100%

For 2013/14 an amount of R2.079 billion has been appropriated for the development of infrastructure which represents 69.77% of the total capital budget. In the outer years this amount totals R2.266 billion, 72.66% and R2.455 billion, 72.90% respectively for each of the financial years. Infrastructure development relates to roads and storm water, transport, electricity, water and waste water management and other.

Other infrastructure includes Digital City Services, Economic and Environmental infrastructure developments, etc.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 27 MBRR A9 (Asset Management) on page 75. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

Furthermore pages 269 onwards contain a detail breakdown of the capital budget per project over the medium-term.

The following graph provides a breakdown of the capital budget to be spent on infrastructure related projects over the MTREF.

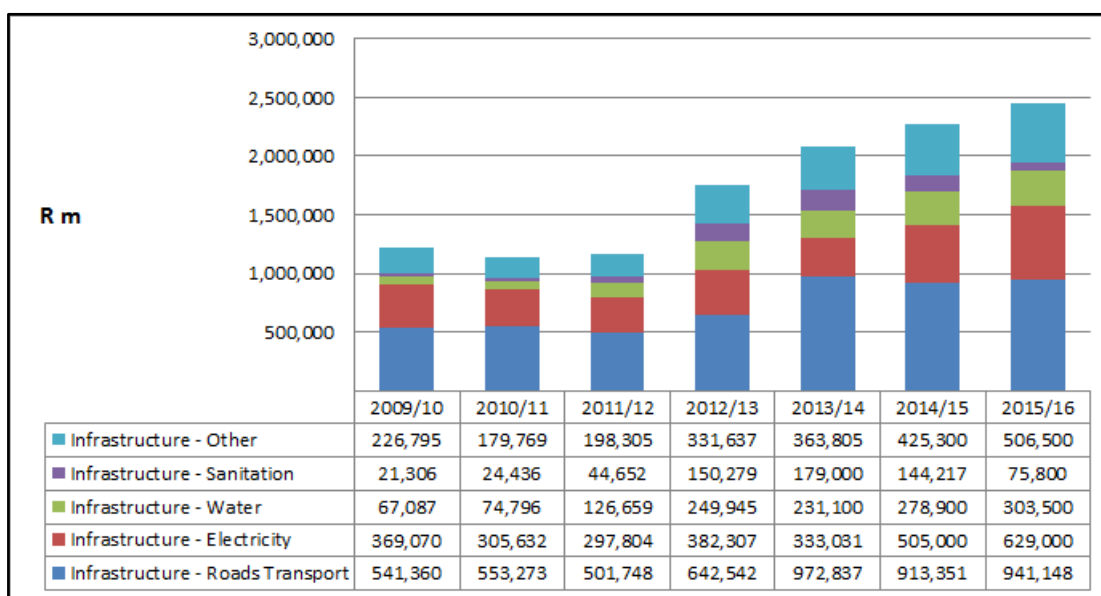


Figure 2 Capital Infrastructure Programme

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 82 MBRR SA35 - Future financial implications of the capital budget on page 272. This table shows that future operational costs associated with the capital programme totals R533 million in 2013/14, escalates to R563 million in 2014/15 and to R569 million in 2015/16. It needs to be noted that as part of the 2013/14 MTREF, this expenditure has been factored into the two outer years of the operational budget both through increases in the budgets of the departments, as well as through the provision of the R55 million global amount for additional vacancies.

The new facilities created through the capital programme of the Social Development Cluster has the greatest impact on future operating budgets as a result of the increased human resource costs associated with the facilities. The sustainability of the number of facilities created is being looked at to ensure that the future tariffs are not unaffordable to our communities. Part of the long term strategy is to invest in projects that will stimulate economic growth which will result in increased financial resources so that the social facilities can be afforded.

In the short to medium term, however, it will require a reduction in the investment in social facilities so that the available funds can be geared towards economic growth projects. The section dealing with the proposed new capital prioritisation model will further elaborate on this principle.

1.7 Annual Budget Tables - Parent Municipality

The following number of pages in this section presents the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2013/14 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

It is important to note that these tables represent the budget of the Ekurhuleni Metropolitan Municipality only and not consolidated figures for the group.

Table 18 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	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousands														
Financial Performance														
Property rates	2,203,207	2,493,578	2,644,170	3,098,272	3,098,272	2,934,830	3,098,272	3,098,272	2,934,830	2,934,830	3,602,668	3,944,738	4,240,593	
Service charges	9,150,029	10,121,906	12,640,496	14,822,651	14,822,651	14,605,967	14,822,651	14,822,651	14,605,967	14,605,967	16,154,613	17,520,836	18,976,708	
Investment revenue	54,454	119,563	153,736	170,100	170,100	185,636	170,100	170,100	185,636	185,636	195,615	215,177	231,315	
Transfers recognised - operational	2,352,858	2,816,128	3,285,158	2,135,790	2,347,700	2,399,223	2,135,790	2,347,700	2,399,223	2,399,223	2,618,495	2,572,624	2,718,048	
Other own revenue	2,224,965	688,132	808,802	2,141,356	2,142,971	2,095,299	2,141,356	2,142,971	2,095,299	2,095,299	2,196,252	2,327,309	2,446,574	
Total Revenue (excluding capital transfers and contributions)	15,985,513	16,239,296	19,532,362	22,368,169	22,587,094	22,220,955	22,368,169	22,587,094	22,220,955	22,220,955	24,767,643	26,580,684	28,613,238	
Employee costs	3,971,687	3,800,446	4,109,532	4,608,602	4,509,764	4,090,507	4,608,602	4,509,764	4,090,507	4,090,507	5,134,073	5,472,921	5,823,188	
Remuneration of councillors	62,513	66,908	79,406	103,326	103,326	102,157	103,326	103,326	102,157	102,157	97,286	103,707	110,344	
Depreciation & asset impairment	484,108	2,068,687	2,029,144	1,241,274	1,361,274	1,287,549	1,241,274	1,361,274	1,287,549	1,287,549	1,312,896	1,378,540	1,447,467	
Finance charges	307,458	382,613	463,418	580,158	580,158	558,574	580,158	580,158	558,574	558,574	685,215	924,964	896,407	
Materials and bulk purchases	6,716,587	8,216,939	9,667,706	10,951,570	10,966,093	10,840,966	10,951,570	10,966,093	10,840,966	10,840,966	11,805,093	12,747,697	13,763,724	
Transfers and grants	57,093	134,180	426,285	1,137,904	997,904	965,060	1,137,904	997,904	965,060	965,060	1,003,679	1,077,451	1,156,510	
Other expenditure	3,797,081	3,224,010	3,473,982	3,742,526	4,063,265	3,915,851	3,742,526	4,063,265	3,915,851	3,915,851	4,595,696	4,777,470	5,121,459	
Total Expenditure	15,396,526	17,893,784	20,239,472	22,365,360	22,581,785	21,760,665	22,365,360	22,581,785	21,760,665	21,760,665	24,633,937	26,482,750	28,319,099	
Surplus/(Deficit)	588,987	(1,654,487)	(707,110)	2,810	5,310	460,290	2,810	5,310	460,290	460,290	133,706	97,933	294,139	
Transfers recognised - capital	523,988	581,561	1,272,382	1,412,402	1,193,456	1,241,609	1,412,402	1,193,456	1,241,609	1,241,609	1,691,438	1,750,180	1,835,509	
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	(130,000)	(95,000)	(290,000)	
Surplus/(Deficit) after capital transfers & contributions	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,701,899	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) for the year	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,701,899	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648	
Capital expenditure & funds sources														
Capital expenditure	1,937,292	1,926,063	2,001,014	2,650,708	2,557,739	2,301,965	2,650,708	2,557,739	2,301,965	2,301,965	2,980,933	3,119,799	3,368,826	
Transfers recognised - capital	523,988	581,561	1,278,045	1,412,402	1,193,456	1,193,456	1,412,402	1,193,456	1,193,456	1,193,456	1,691,438	1,750,180	1,835,509	
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing	1,299,037	1,043,572	475,500	975,845	1,087,733	859,614	975,845	1,087,733	859,614	859,614	1,040,089	1,147,106	1,150,100	
Internally generated funds	114,287	300,921	247,470	262,461	276,549	248,894	262,461	276,549	248,894	248,894	249,405	222,513	383,218	
Total sources of capital funds	1,937,292	1,926,063	2,001,014	2,650,708	2,557,739	2,301,965	2,650,708	2,557,739	2,301,965	2,301,965	2,980,933	3,119,799	3,368,826	

EKU Ekurhuleni Metro - Table A1 Consolidated 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	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousands												
Financial position												
Total current assets	3,858,928	4,348,969	5,857,903	5,857,903	5,751,854	5,844,823	6,748,397	6,748,397	6,767,396	8,202,948	9,709,811	
Total non current assets	46,698,974	43,016,251	43,227,376	43,227,376	48,546,835	48,453,737	47,450,464	47,450,464	49,030,987	49,804,768	50,702,846	
Total current liabilities	3,651,665	3,492,760	3,759,849	3,759,849	4,643,797	4,643,797	4,544,097	4,544,097	4,518,133	4,910,105	5,256,132	
Total non current liabilities	4,025,268	5,596,979	6,484,677	6,484,677	6,789,006	6,789,006	6,789,006	6,789,006	7,565,415	8,559,397	9,564,633	
Community wealth/Equity	42,880,968	38,275,481	38,840,752	38,840,752	42,865,886	42,865,757	42,865,757	42,865,757	43,714,835	44,538,215	45,591,892	
Cash flows												
Net cash from (used) operating	730,240	1,241,882	3,071,675	3,071,675	2,917,572	2,917,572	2,917,572	2,917,572	3,275,662	3,459,634	3,727,445	
Net cash from (used) investing	(1,795,578)	(1,815,917)	(2,242,131)	(2,242,131)	(2,874,565)	(2,781,596)	(2,429,838)	(2,429,838)	(2,867,367)	(3,177,055)	(3,421,516)	
Net cash from (used) financing	665,038	1,248,273	670,016	670,016	653,331	653,331	637,955	637,955	247,039	860,424	881,780	
Cash/cash equivalents at the year end	664,625	1,338,863	2,838,424	2,838,424	2,889,414	2,982,383	3,318,765	3,318,765	3,637,717	4,780,720	5,968,429	
Cash backing/surplus reconciliation												
Cash and investments available	995,602	1,589,759	3,331,895	3,331,895	3,546,390	3,639,359	3,940,151	3,940,151	4,181,128	5,381,387	6,621,785	
Application of cash and investments	1,906,539	1,003,937	1,794,853	1,794,853	2,613,250	2,502,222	2,078,937	1,726,390	2,555,589	3,199,407	3,476,512	
Balance - surplus (shortfall)	(910,937)	585,822	1,537,041	1,537,041	933,140	1,137,137	1,861,215	2,213,762	1,625,539	2,181,980	3,145,273	
Asset management												
Asset register summary (WDV)	46,586,469	42,783,023	42,752,670	42,752,670	47,907,382	47,814,284	46,847,886	48,506,384	48,506,384	49,222,909	50,068,297	
Depreciation & asset impairment	484,108	2,068,687	2,029,144	2,029,144	1,241,274	1,361,274	1,287,549	1,312,896	1,312,896	1,378,540	1,447,467	
Renewal of Existing Assets	767,602	904,696	1,051,967	1,051,967	1,051,890	1,011,544	910,390	910,390	1,430,090	1,331,480	1,484,268	
Repairs and Maintenance	1,566,523	1,781,722	1,737,189	1,737,189	1,955,295	1,967,819	1,864,718	2,118,929	2,118,929	2,250,519	2,386,978	
Free services												
Cost of Free Basic Services provided	-	-	38,601	38,601	41,356	41,356	41,356	46,586	46,586	51,199	56,342	
Revenue cost of free services provided	-	1,206,531	1,097,260	1,097,260	1,221,713	1,221,713	1,243,152	1,320,956	1,320,956	1,428,219	1,544,346	
Households below minimum service level												
Water:	20	20	20	20	20	20	20	20	20	20	20	
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-	
Energy:	288	288	-	-	-	-	-	-	-	-	-	
Refuse:	64	64	164	164	169	169	169	182	182	194	210	

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Metro's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the liquidity position of the municipality was placed under pressure and consequently many of its obligations were not cash-backed. This placed the municipality in a very vulnerable financial position. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. The cash position of the council improved over the last year and it is anticipated that the goal of having all obligations cash-back will be achieved by 2012/13 or even the current year, when surpluses are reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 19 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

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	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>												
Executive and council	5,256,139	4,010,732	4,374,109	4,889,297	4,897,097	4,699,580	4,699,580	4,699,580	6,246,655	6,716,115	6,934,774	
Budget and treasury office	100,255	(61,026)	648	53	7,853	9,032	9,032	9,032	22	23	24	
Corporate services	4,764,908	4,272,230	4,319,430	4,845,370	4,845,370	4,641,681	4,641,681	4,641,681	6,127,411	6,642,619	6,856,872	
<i>Community and public safety</i>												
Community and social services	390,975	(200,472)	54,031	43,873	43,873	48,867	48,867	48,867	119,221	73,473	77,877	
Sport and recreation	690,487	624,974	747,676	658,216	641,705	741,190	741,190	741,190	969,237	788,955	919,445	
Public safety	24,279	33,372	31,682	31,158	31,570	34,404	34,404	34,404	37,052	37,553	39,270	
Housing	75,082	78,946	96,977	112,736	86,632	118,353	118,353	118,353	180,026	108,242	119,849	
Health	102,853	55,903	272,295	225,483	214,083	238,304	238,304	238,304	284,368	276,952	281,559	
<i>Economic and environmental services</i>												
Planning and development	236,244	163,143	95,167	90,068	127,844	152,526	152,526	152,526	294,536	154,688	211,387	
Road transport	252,029	293,610	252,556	198,771	182,576	197,603	197,603	197,603	193,255	211,520	267,379	
Environmental protection	513,159	1,013,091	481,628	984,967	791,105	984,149	984,149	984,149	1,216,060	1,145,154	1,151,188	
<i>Trading services</i>												
Electricity	3,033	1,164	3,012	4,063	10,828	10,597	10,597	10,597	61,192	26,437	31,347	
Water	509,788	1,011,812	477,995	980,747	779,895	973,201	973,201	973,201	1,154,754	1,118,597	1,119,715	
Waste water management	338	116	620	157	382	351	351	351	114	120	126	
Waste management	10,015,632	11,146,650	15,184,921	17,221,536	17,424,089	17,020,387	17,020,387	17,020,387	17,871,950	19,559,170	21,125,570	
<i>Other</i>												
Electricity	6,446,029	8,117,054	10,002,208	11,423,075	11,435,497	11,370,724	11,370,724	11,370,724	12,004,860	13,097,498	14,202,610	
Water	2,443,740	1,561,137	3,302,266	3,559,236	3,749,367	3,444,340	3,444,340	3,444,340	3,696,041	4,084,115	4,387,025	
Waste water management	442,629	678,016	715,985	838,018	838,018	795,196	795,196	795,196	882,863	927,578	997,149	
Waste management	683,233	790,444	1,164,463	1,401,207	1,401,207	1,410,127	1,410,127	1,410,127	1,308,185	1,449,979	1,538,786	
<i>Other</i>	34,063	25,410	16,411	26,555	26,555	17,257	17,257	17,257	25,180	26,470	27,770	
Total Revenue - Standard	16,509,481	16,820,857	20,804,744	23,780,571	23,780,550	23,462,564	23,462,564	23,462,564	26,329,081	28,235,863	30,158,747	

EKU Ekurhuleni Metro - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)												
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	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 - Standard												
Governance and administration												
Executive and council	1,613,204	3,554,158	2,192,804	2,636,615	2,611,104	2,636,615	2,611,104	2,425,624	2,927,566	3,227,420	3,408,721	
Budget and treasury office	375,015	340,230	777,791	1,089,283	1,078,542	1,089,283	1,078,542	1,068,995	450,847	487,411	516,355	
Corporate services	419,448	3,038,499	596,087	686,683	624,499	686,683	624,499	526,983	1,443,314	1,607,759	1,688,952	
Community and public safety												
Community and social services	818,741	175,430	818,926	860,648	908,063	860,648	908,063	829,646	1,033,405	1,132,251	1,203,414	
Sport and recreation	2,768,156	2,486,253	3,076,312	3,424,766	3,490,148	3,424,766	3,490,148	3,535,740	4,233,383	4,376,457	4,634,278	
Public safety	226,232	236,601	239,589	256,097	262,317	256,097	262,317	246,872	285,566	304,712	324,087	
Housing	680,951	399,308	720,169	754,811	760,901	754,811	760,901	780,648	826,456	884,908	939,715	
Health	861,373	725,470	1,007,932	1,102,980	1,107,782	1,102,980	1,107,782	1,027,561	1,420,950	1,517,142	1,617,045	
Economic and environmental services												
Planning and development	325,642	403,179	289,175	349,340	398,275	349,340	398,275	291,854	619,876	500,742	515,959	
Road transport	673,957	721,695	819,447	961,537	960,873	961,537	960,873	1,188,804	1,080,535	1,168,954	1,237,471	
Environmental protection	2,065,822	1,750,342	1,754,405	1,608,471	1,635,075	1,608,471	1,635,075	1,423,172	1,781,039	1,847,760	1,949,842	
Trading services												
Electricity	115,911	104,219	123,900	164,079	166,060	164,079	166,060	153,577	285,120	272,400	287,864	
Water	1,826,625	1,526,785	1,573,022	1,382,804	1,384,022	1,382,804	1,384,022	1,213,103	1,416,383	1,491,969	1,574,109	
Waste water management	123,286	119,338	57,482	61,588	64,993	61,588	64,993	56,492	79,536	83,391	87,869	
Waste management	8,931,252	9,979,372	13,128,355	14,674,079	14,823,927	14,674,079	14,823,927	14,367,532	15,671,626	17,009,470	18,303,268	
Other												
Electricity	5,844,590	6,863,339	8,869,879	9,986,835	9,986,525	9,986,835	9,986,525	9,903,050	10,712,910	11,575,808	12,432,822	
Water	2,261,196	2,530,839	2,978,048	3,109,380	3,258,105	3,109,380	3,258,105	2,991,493	3,171,245	3,487,111	3,783,676	
Waste water management	50,370	22,318	389,207	457,506	457,506	457,506	457,506	449,283	493,712	529,730	568,975	
Waste management	775,096	562,877	891,221	1,120,358	1,121,790	1,120,358	1,121,790	1,023,706	1,293,758	1,416,822	1,517,795	
Total Expenditure - Standard	18,093	123,658	87,595	21,429	21,530	21,429	21,530	8,597	20,323	21,643	22,991	
Surplus/(Deficit) for the year	15,396,526	17,893,784	20,239,472	22,365,360	22,581,785	22,365,360	22,581,785	21,760,665	24,633,937	26,482,750	28,319,099	
	1,112,954	(1,072,927)	565,272	1,415,212	1,198,766	1,415,212	1,198,766	1,701,999	1,695,144	1,753,113	1,839,648	

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

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water and Waste water functions.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under the Corporate Services.

Table 20 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

R thousand	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	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 - Executive and Council	67,500	66,024	6	53	1	22	23	24				
	Vote 2 - Finance and Corporate Services	5,164,621	4,052,880	4,270,078	4,982,789	4,897,044	4,793,124	6,246,632	6,716,092	6,934,750			
	Vote 3 - Energy	6,446,029	7,378,650	9,933,365	11,423,075	11,435,497	11,370,724	12,004,860	13,097,498	14,202,610			
	Vote 4 - Water and Sanitation	2,899,416	2,945,453	4,101,802	4,397,254	4,587,385	4,239,536	4,558,905	5,011,693	5,384,174			
	Vote 5 - Waste Management	683,233	1,060,070	1,253,784	1,401,207	1,401,207	1,410,127	1,308,185	1,449,979	1,538,786			
	Vote 6 - Human Settlements	236,244	164,101	95,167	90,068	127,844	152,526	294,536	154,688	211,387			
	Vote 7 - City Planning	2,492	2,300	1,873	2,013	2,013	1,782	25,937	2,237	2,347			
	Vote 8 - Economic Development	19,189	17,024	16,738	28,455	35,221	26,020	60,360	50,591	56,887			
	Vote 9 - Disaster and Emergency Management Services	271,687	265,720	203,808	149,663	144,453	153,488	167,901	180,066	180,513			
	Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	54,027	58,047	79,927	100,328	73,636	104,505	149,350	67,582	68,507			
	Vote 11 - Health and Social Development	148,750	234,972	247,720	192,731	176,537	192,170	186,775	204,709	260,234			
	Vote 12 - Environmental Resource Management	61,557	69,257	49,084	43,723	43,948	48,603	67,841	78,332	90,738			
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	94,634	126,262	73,322	81,869	75,669	90,249	102,948	103,697	108,190			
	Vote 14 - Transport Planning & Provisioning	-	-	231,563	344,356	345,449	333,929	573,671	599,427	585,609			
	Vote 15 - Roads and Stormwater	360,119	380,096	246,516	542,996	434,596	545,780	581,159	519,249	534,189			
	Total Revenue by Vote	16,509,481	16,820,957	20,804,744	23,780,571	23,780,550	23,462,564	26,329,081	28,235,863	30,158,747			
Expenditure by Vote to be appropriated													
	Vote 1 - Executive and Council	208,654	235,537	192,388	245,000	252,707	234,561	261,897	287,861	305,529			
	Vote 2 - Finance and Corporate Services	2,396,384	3,715,620	2,255,441	2,486,350	2,453,899	2,252,670	2,687,413	2,962,290	3,127,244			
	Vote 3 - Energy	4,408,593	4,355,403	8,357,761	10,049,472	10,049,162	9,961,291	10,795,068	11,664,538	12,528,650			
	Vote 4 - Water and Sanitation	2,534,623	2,733,234	3,580,852	3,547,336	3,696,061	3,429,449	3,642,323	3,993,519	4,328,065			
	Vote 5 - Waste Management	801,192	840,271	980,543	1,120,358	1,121,790	1,023,706	1,293,758	1,416,822	1,517,795			
	Vote 6 - Human Settlements	325,642	444,105	296,871	349,340	398,275	291,854	619,876	500,742	515,959			
	Vote 7 - City Planning	81,621	87,911	87,242	103,287	103,364	90,628	183,992	168,360	178,233			
	Vote 8 - Economic Development	37,697	138,194	37,343	48,823	70,780	41,485	102,531	105,965	111,777			
	Vote 9 - Disaster and Emergency Management Services	610,228	664,416	507,514	533,885	535,771	704,342	693,802	745,361	793,004			
	Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	561,045	523,221	502,287	531,744	535,264	497,580	586,389	622,911	660,316			
	Vote 11 - Health and Social Development	423,680	488,322	542,131	663,358	663,932	708,736	757,812	819,201	865,082			
	Vote 12 - Environmental Resource Management	532,302	540,493	586,721	540,753	552,948	586,431	605,169	650,099	691,356			
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	640,520	697,917	727,009	804,073	805,799	744,531	964,790	1,029,685	1,097,285			
	Vote 14 - Transport Planning & Provisioning	-	520,751	226,061	250,463	250,732	231,955	295,012	309,826	329,620			
	Vote 15 - Roads and Stormwater	1,834,346	1,908,389	1,359,310	1,091,116	1,091,299	961,446	1,144,106	1,205,570	1,269,185			
	Total Expenditure by Vote	15,396,526	17,893,784	20,239,472	22,365,360	22,581,785	21,760,665	24,633,937	26,482,750	28,319,099			
	Surplus/(Deficit) for the year	1,112,954	(1,072,827)	565,272	1,415,212	1,198,766	1,701,899	1,695,144	1,753,113	1,839,648			

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

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Metro. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the refuse removal, electricity and water (including sanitation) trading services.

Table 21 Surplus/(Deficit) calculations for the trading services as per MBRR Table A3

Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full year Forecast	Budget 2013/14	Budget 2014/15	Budget 2015/16
Electricity									
Total Revenue (Excl. capital grants and transfers)	6,409,704	8,374,556	9,782,135	11,106,323	11,117,724	11,344,749	11,820,129	12,763,748	13,782,610
Operating Expenditure	5,818,494	7,113,414	9,103,957	10,343,799	10,348,588	10,348,588	11,104,112	11,989,035	12,869,371
Surplus/ (Deficit) for the year	591,210	1,261,142	678,178	762,524	769,136	996,161	716,017	774,713	913,239
Percentage Surplus	9.22%	15.06%	6.93%	6.87%	6.92%	8.78%	6.06%	6.07%	6.63%
Water and Waste water									
Total Revenue (Excl. capital grants and transfers)	2,882,778	2,894,546	3,744,596	4,212,214	4,380,762	4,380,762	4,397,704	4,825,076	5,260,374
Operating Expenditure	2,534,623	2,866,945	3,438,461	3,647,619	3,677,281	3,677,281	3,747,620	4,104,081	4,444,155
Surplus/ (Deficit) for the year	348,155	27,601	306,135	564,595	703,481	703,481	650,084	720,995	816,219
Percentage Surplus	12.08%	0.95%	8.18%	13.40%	16.06%	16.06%	14.78%	14.94%	15.52%
Refuse									
Total Revenue (Excl. capital grants and transfers)	666,973	1,045,096	1,209,016	1,398,507	1,398,507	1,398,507	1,266,485	1,404,979	1,530,786
Operating Expenditure	801,192	858,483	980,543	1,134,018	1,137,126	1,137,126	1,308,101	1,431,881	1,533,607
Surplus/ (Deficit) for the year	(134,219)	186,613	228,473	264,489	261,381	261,381	(41,616)	(26,902)	(2,821)
Percentage Surplus	-20.12%	17.86%	18.90%	18.91%	18.69%	18.69%	-3.29%	-1.91%	-0.18%

The electricity trading surplus is increasing from R763 million in the 2012/13 MTREF to R913 million in the 2015/16 budget. This is primarily as a result of the high increases in Eskom bulk purchases and the tariff setting policy of the municipality.

The surplus on the water and sanitation account remains relatively constant over the MTREF translating into a surplus of 14.78%, 14.94% and 15.52% for each of the respective financial years.

Note that the surpluses on these trading accounts are utilised to cross-subsidise other services.

Waste Management is reflecting in 2013/14 a deficit of R41million. The deficit in the outer years is reduced to R27 million and R3 million respectively.

EKU Ekurhuleni Metro - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)											
Description	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework	
	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
Expenditure By Type											
Employee related costs	3,971,687	3,800,446	4,109,532	4,109,532	4,608,602	4,509,764	4,090,507	4,090,507	5,134,073	5,472,921	5,823,188
Remuneration of councillors	62,513	66,908	79,406	79,406	103,326	103,326	102,157	102,157	97,286	103,707	110,344
Debt impairment	1,417,263	1,445,304	1,570,905	1,570,905	1,256,869	1,256,869	1,280,668	1,280,668	1,144,566	1,250,492	1,364,277
Depreciation & asset impairment	484,108	2,068,687	2,029,144	2,029,144	1,241,274	1,361,274	1,287,549	1,287,549	1,312,896	1,378,540	1,447,467
Finance charges	307,458	382,613	453,418	453,418	580,158	580,158	558,574	558,574	685,215	924,964	896,407
Bulk purchases	5,150,063	6,435,217	7,930,516	7,930,516	8,996,275	8,998,275	8,976,247	8,976,247	9,686,163	10,497,178	11,376,746
Other materials	1,566,523	1,781,722	1,737,189	1,737,189	1,955,295	1,957,819	1,864,719	1,864,719	2,118,929	2,250,519	2,386,978
Contracted services	563,520	614,834	684,663	684,663	755,825	800,499	663,509	663,509	810,490	876,085	946,172
Transfers and grants	57,093	134,180	426,285	426,285	1,137,904	997,904	965,060	965,060	1,003,679	1,077,451	1,156,510
Other expenditure	1,815,372	1,139,099	1,197,375	1,197,375	1,704,832	1,980,897	1,971,674	1,971,674	2,615,640	2,625,892	2,786,010
Loss on disposal of PPE	926	24,773	21,039	21,039	25,000	25,000	-	-	25,000	25,000	25,000
Total Expenditure	15,396,526	17,893,784	20,239,472	20,239,472	22,365,360	22,581,785	21,760,665	21,760,665	24,633,937	26,482,750	28,319,099
Surplus/(Deficit)	588,987	(1,654,487)	(707,110)	(707,110)	2,810	5,310	460,290	460,290	133,706	97,933	294,139
Transfers recognised - capital	523,968	581,561	1,272,382	1,272,382	1,412,402	1,193,456	1,241,609	1,241,609	1,691,438	1,750,180	1,835,509
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	(130,000)	(95,000)	(290,000)
Surplus/(Deficit) after capital transfers & contributions	1,112,954	(1,072,927)	565,272	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648
Taxation											
Surplus/(Deficit) after taxation	1,112,954	(1,072,927)	565,272	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648
Attributable to minorities											
Surplus/(Deficit) attributable to municipality	1,112,954	(1,072,927)	565,272	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648
Share of surplus/ (deficit) of associate											
Surplus/(Deficit) for the year	1,112,954	(1,072,927)	565,272	565,272	1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648

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

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Metro. Rates and service charge revenues comprise more than two thirds of the total revenue mix. In the 2013/14 financial year, revenue from rates and services charges totalled R19.7 billion or 79.8% of the total income budget. This increases to R21.4 billion (or 80.8% of total income budget) and R23.2 billion (or 81.1% of the total income budget) in the respective financial years of the MTREF.

Details in this regard are contained Table 85 MBRR Table SA1 - Supporting detail to budgeted financial performance on page 298.

Electricity is the biggest source of income and represents R11.5 billion or 54.2% of the total income budget in 2013/14. The percentage will increase to 63.2% in the third MTREF financial year.

Property rates are the second largest revenue source totalling 16.7% or R3.54 billion. This excludes income forgone.

Operating grants and transfers totals R2.6 billion or 12.3% of total income budget in the 2013/14 financial year and moves to R2.7 billion by 2015/16.

Bulk purchases have significantly increased over the 2009/10 to 2015/16 period escalating from R5.1 billion to R11.4 billion. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom and water from Rand Water. Bulk purchases also include bulk sewer purification costs.

Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

The following graph illustrates the major expenditure items per type.

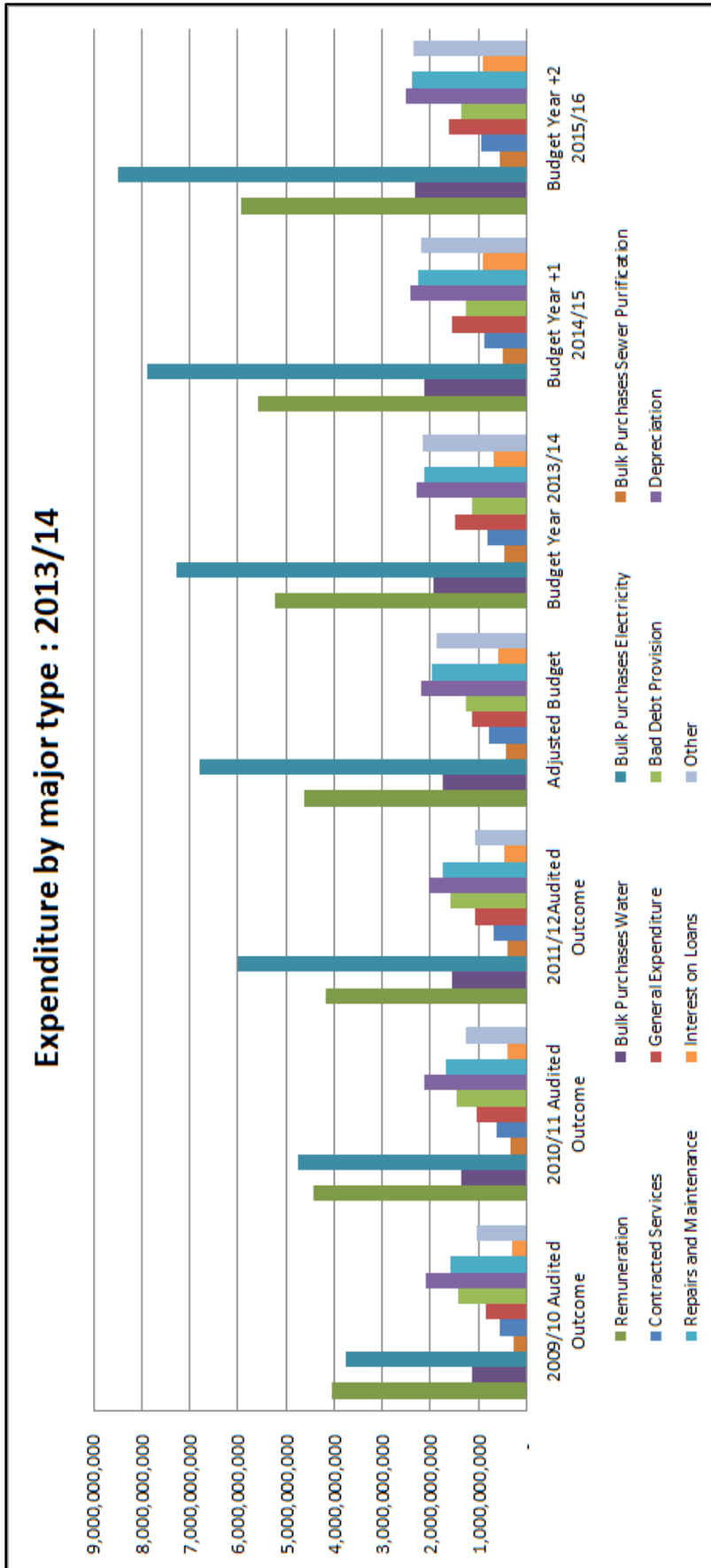


Figure 3 Expenditure by major type

Table 23 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

R thousand	Vote Description	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14		2014/15		2015/16	
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	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 - Executive and Council	64,985	4,843	-	4,900	4,900	4,900	4,410	4,410	-	-	-	-	-	-	-
	Vote 2 - Finance and Corporate Services	58,806	60,818	200,246	361,667	316,329	284,696	284,696	284,696	394,543	354,485	330,105	330,105	330,105	330,105	330,105
	Vote 3 - Energy	366,262	342,538	370,129	380,807	382,307	344,076	344,076	344,076	333,031	505,000	629,000	629,000	629,000	629,000	629,000
	Vote 4 - Water and Sanitation	84,676	165,856	381,531	402,100	384,124	345,712	345,712	345,712	410,100	423,117	379,300	379,300	379,300	379,300	379,300
	Vote 5 - Waste Management	32,089	53,219	62,640	61,200	64,076	57,668	57,668	57,668	71,700	87,500	124,000	124,000	124,000	124,000	124,000
	Vote 6 - Human Settlements	283,625	188,823	52,934	77,683	74,649	67,184	67,184	67,184	69,550	120,000	175,000	175,000	175,000	175,000	175,000
	Vote 7 - City Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vote 8 - Economic Development	24,642	32,117	33,736	53,500	51,184	46,065	46,065	46,065	66,055	51,200	60,500	60,500	60,500	60,500	60,500
	Vote 9 - Disaster and Emergency Management Services	26,601	-	26,876	44,650	32,847	29,562	29,562	29,562	34,354	56,285	57,700	57,700	57,700	57,700	57,700
	Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	106,309	85,803	77,247	112,750	90,302	81,272	81,272	81,272	143,200	66,000	59,911	59,911	59,911	59,911	59,911
	Vote 11 - Health and Social Development	82,296	111,082	92,785	98,968	85,865	77,279	77,279	77,279	73,410	116,050	154,400	154,400	154,400	154,400	154,400
	Vote 12 - Environmental Resource Management	60,247	88,577	31,824	26,270	33,761	30,385	30,385	30,385	49,078	57,600	90,500	90,500	90,500	90,500	90,500
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	-	-	12,200	24,600	18,400	16,560	16,560	16,560	27,340	28,160	28,640	28,640	28,640	28,640	28,640
	Vote 14 - Transport Planning & Provisioning	-	-	68,335	75,700	83,792	75,413	75,413	75,413	354,082	336,741	312,448	312,448	312,448	312,448	312,448
	Vote 15 - Roads and Stormwater	541,220	483,283	310,439	574,150	570,450	513,405	513,405	513,405	632,550	610,550	650,500	650,500	650,500	650,500	650,500
	Capital multi-year expenditure sub-total	1,731,757	1,616,959	1,720,921	2,298,935	2,192,985	1,973,686	1,973,686	1,973,686	2,658,994	2,812,689	3,052,004	3,052,004	3,052,004	3,052,004	3,052,004
	Single-year expenditure to be appropriated															
	Vote 1 - Executive and Council	1,860	2,583	3,572	6,163	6,363	5,727	5,727	5,727	11,903	6,683	10,693	10,693	10,693	10,693	10,693
	Vote 2 - Finance and Corporate Services	20,700	70,460	74,632	100,765	35,957	32,361	32,361	32,361	54,774	28,388	30,880	30,880	30,880	30,880	30,880
	Vote 3 - Energy	14,216	15,419	18,272	17,868	17,868	16,081	16,081	16,081	20,720	21,150	21,760	21,760	21,760	21,760	21,760
	Vote 4 - Water and Sanitation	7,596	33,213	39,109	7,900	24,000	21,600	21,600	21,600	8,600	8,600	10,550	10,550	10,550	10,550	10,550
	Vote 5 - Waste Management	50,891	82,037	55,476	72,200	72,657	65,392	65,392	65,392	48,332	54,417	39,800	39,800	39,800	39,800	39,800
	Vote 6 - Human Settlements	922	740	725	1,150	1,150	1,035	1,035	1,035	980	980	1,080	1,080	1,080	1,080	1,080
	Vote 7 - City Planning	638	885	1,216	5,760	5,760	5,184	5,184	5,184	3,800	4,100	4,400	4,400	4,400	4,400	4,400
	Vote 8 - Economic Development	418	1,340	144	2,538	1,188	1,069	1,069	1,069	2,465	1,370	1,740	1,740	1,740	1,740	1,740
	Vote 9 - Disaster and Emergency Management Services	37,284	41,170	23,980	32,894	72,273	65,045	65,045	65,045	34,513	33,010	39,080	39,080	39,080	39,080	39,080
	Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	4,088	5,186	5,943	22,000	24,802	22,322	22,322	22,322	24,350	25,400	24,000	24,000	24,000	24,000	24,000
	Vote 11 - Health and Social Development	2,902	8,480	23,454	24,220	23,300	20,970	20,970	20,970	18,000	13,150	9,400	9,400	9,400	9,400	9,400
	Vote 12 - Environmental Resource Management	29,612	20,778	10,100	26,155	29,176	26,258	26,258	26,258	34,610	33,420	57,045	57,045	57,045	57,045	57,045
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	-	-	15,076	14,100	34,100	30,690	30,690	30,690	23,795	26,990	27,995	27,995	27,995	27,995	27,995
	Vote 14 - Transport Planning & Provisioning	-	-	1,836	10,310	5,310	4,779	4,779	4,779	19,552	35,252	4,600	4,600	4,600	4,600	4,600
	Vote 15 - Roads and Stormwater	34,409	12,444	6,560	7,750	10,850	9,765	9,765	9,765	15,545	14,200	34,400	34,400	34,400	34,400	34,400
	Capital single-year expenditure sub-total	205,535	309,094	280,094	351,773	364,754	328,278	328,278	328,278	321,939	307,110	316,823	316,823	316,823	316,823	316,823
	Total Capital Expenditure - Vote	1,937,292	1,926,053	2,001,014	2,650,708	2,557,739	2,301,965	2,301,965	2,301,965	2,980,933	3,119,799	3,368,826	3,368,826	3,368,826	3,368,826	3,368,826

EKU Ekurhuleni Metro - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding											
R thousand	Vote Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		Budget Year +2 2015/16	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14		Budget Year +1 2014/15
	Capital Expenditure - Standard										
	<i>Governance and administration</i>	146,124	137,019	278,405	473,495	363,549	327,194	327,194	461,220	389,556	371,678
	Executive and council	87,349	15,368	20,295	81,145	32,545	29,290	29,290	23,083	37,493	111,523
	Budget and treasury office	58,775	56,101	113,101	209,365	175,213	157,692	157,692	279,474	205,023	205,190
	Corporate services	-	65,550	145,009	182,985	155,790	140,211	140,211	158,663	147,040	54,965
	Community and public safety	622,865	541,893	398,077	495,035	510,357	459,322	459,322	520,933	559,050	713,231
	Community and social services	19,850	128,884	91,171	126,500	107,098	96,388	96,388	140,590	115,825	157,036
	Sport and recreation	169,387	48,354	25,719	58,200	60,677	54,609	54,609	98,400	48,600	63,500
	Public safety	63,886	55,529	78,132	116,244	157,619	141,857	141,857	120,003	144,445	152,815
	Housing	284,546	189,563	86,615	78,833	75,799	68,219	68,219	70,530	120,980	176,080
	Health	85,197	119,562	116,439	115,258	109,165	98,249	98,249	91,410	129,200	163,800
	Economic and environmental services	613,300	535,498	423,261	723,975	725,734	653,161	653,161	1,089,172	1,057,258	1,062,908
	Planning and development	25,292	33,304	27,869	45,670	45,065	40,558	40,558	55,195	42,520	50,040
	Road transport	578,317	497,374	387,169	667,910	670,402	603,362	603,362	1,021,729	996,743	1,001,948
	Environmental protection	9,691	4,820	8,223	10,395	10,267	9,240	9,240	12,248	17,995	10,920
	Trading services	554,370	692,282	897,068	942,075	945,032	850,529	850,529	892,483	1,099,784	1,204,410
	Electricity	380,478	357,957	391,268	398,675	400,175	360,157	360,157	353,751	526,150	650,760
	Water	65,227	165,497	166,614	240,185	259,295	233,366	233,366	239,700	287,500	314,050
	Waste water management	26,620	33,573	221,070	169,815	148,829	133,946	133,946	179,000	144,217	75,800
	Waste management	82,045	135,255	118,116	133,400	136,733	123,060	123,060	120,032	141,917	163,800
	Other	633	19,362	4,204	16,128	13,067	11,760	11,760	17,125	14,150	16,600
	Total Capital Expenditure - Standard	1,937,292	1,926,053	2,001,014	2,650,708	2,557,739	2,301,965	2,301,965	2,980,933	3,119,799	3,368,826
	Funded by:										
	National Government	460,930	511,527	1,225,271	1,311,919	1,139,520	1,139,520	1,139,520	1,639,943	1,686,269	1,766,598
	Provincial Government	53,344	57,756	31,156	81,733	36,186	36,186	36,186	23,550	28,911	38,911
	District Municipality										
	Other transfers and grants	9,693	12,278	21,618	18,750	17,750	17,750	17,750	27,945	35,000	30,000
	Transfers recognised - capital	523,968	581,561	1,278,045	1,412,402	1,193,456	1,193,456	1,193,456	1,691,438	1,750,180	1,835,509
	Public contributions & donations										
	Borrowing	1,299,037	1,043,572	475,500	975,845	1,087,733	859,614	859,614	1,040,089	1,147,106	1,150,100
	Internally generated funds	114,287	300,921	247,470	262,461	276,549	248,894	248,894	249,405	222,513	383,218
	Total Capital Funding	1,937,292	1,926,053	2,001,014	2,650,708	2,557,739	2,301,965	2,301,965	2,980,933	3,119,799	3,368,826

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary 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. In relation to multi-year appropriations, for 2013/14 R2.658 billion has been allocated of the total R2.980 billion capital budget, which totals 89.19%. This allocation escalates to R2.812 billion in 2014/15 and then to R3.052 billion in 2015/16.
3. Single-year capital expenditure has been appropriated at R321.9 million for the 2013/14 financial year and remains relatively constant over the MTREF at levels of R307.1 million and R316.8 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Metro. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. In terms of Circular 58, any downward adjustments for 2013/14 relating to the multi-year appropriation for 2013/14 in the 2012/13 Annual budget must be explained. The following votes had downward adjustments:
 - Energy – The INEP funding for 2013/14 was R74 million in the 2012/13 DoRA and the final allocation in the 2013/14 DoRA is R10 million.
 - ICT – The Unified Command Centre project was moved to the Customer Relations Management Department.
 - Health and Social Development – The budget was adjusted as a result of final bids amount being known.
 - Environmental Resources Management - The budget was adjusted as a result of final bids amount being known.
 - The capital programme is funded from capital and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses. For 2013/14, capital grants and transfers totals R1,691 billion (56.74%) and increase to R1.750 billion by 2015/16 (56.09%) and then escalate to R1.835 billion (54.48%). A substantial portion of the capital budget will be funded from borrowing over MTREF with anticipated borrowings of R1,040 billion in 2013/14 financial year (R786 million in terms of new bond, R104 million transferred from previous year and R150 million in terms of Project Finance for the water loss eradication programme). Borrowing is estimated at R1,147 billion in the 2014/15 financial year and R1,150 billion in the 2015/16 financial year. The balance will be funded from internally generated funding totalling R246.9 million, R222.5 million and R383.2 million in the respective multi-year budgets. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

Table 24 MBRR Table A6 - Budgeted Financial Position

R thousand	Description	Eku Metro - Table A6 Consolidated Budgeted Financial Position									
		2009/10	2010/11	2011/12	Current Year 2012/13		2013/14	2013/14 Medium Term Expenditure Framework		Budget Year +2 2015/16	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	ASSETS										
	Current assets										
	Cash	664,625	1,338,863	2,838,424	2,889,414	2,982,383	3,318,765	3,318,765	3,637,717	4,780,720	5,968,429
	Call investment deposits	246,306	20,000	21,285	20,000	20,000	21,285	21,285	21,285	21,285	21,285
	Consumer debtors	2,529,976	2,447,473	2,683,966	2,252,443	2,252,443	2,818,350	2,818,350	2,477,687	2,125,456	2,988,001
	Other debtors	270,657	410,160	169,181	425,593	425,593	425,593	425,593	454,959	487,261	520,882
	Current portion of long-term receivables										
	Inventory	147,363	132,473	145,046	164,404	164,404	164,404	164,404	175,748	188,226	201,214
	Total current assets	3,858,928	4,348,969	5,857,903	5,751,854	5,844,823	6,748,397	6,748,397	6,767,396	8,202,948	9,709,811
	Non current assets										
	Long-term receivables	27,834	2,333	2,520	2,477	2,477	2,477	2,477	2,477	2,477	2,477
	Investments	84,670	230,895	472,185	636,976	636,976	600,101	600,101	522,126	579,381	632,071
	Investment property	106,718	126,279	110,247	126,279	126,279	126,279	126,279	126,279	126,279	126,279
	Investment in Associate	0	0	0	0	0	0	0	0	0	0
	Property, plant and equipment	46,455,434	42,625,347	42,575,917	47,749,707	47,656,609	46,690,211	46,690,211	48,348,709	49,065,234	49,910,622
	Agricultural										
	Biological										
	Intangible	24,317	31,396	66,507	31,396	31,396	31,396	31,396	31,396	31,396	31,396
	Other non-current assets										
	Total non current assets	46,698,974	43,016,251	43,227,376	48,546,635	48,453,737	47,450,464	47,450,464	49,030,387	49,804,768	50,702,846
	TOTAL ASSETS	50,557,902	47,365,220	49,085,279	54,298,690	54,298,561	54,198,861	54,198,861	55,798,383	58,007,716	60,412,657
	LIABILITIES										
	Current liabilities										
	Bank overdraft										
	Borrowing	419,494	175,354	182,305	576,111	576,111	576,087	576,087	178,648	162,000	180,408
	Consumer deposits	417,027	487,038	532,611	552,924	552,924	552,924	552,924	591,076	633,042	676,722
	Trade and other payables	2,539,723	2,597,755	2,785,507	3,250,682	3,250,682	3,151,006	3,151,006	3,466,107	3,812,718	4,075,795
	Provisions	275,420	232,612	259,426	264,080	264,080	264,080	264,080	282,302	302,345	323,207
	Total current liabilities	3,651,665	3,492,760	3,759,849	4,643,797	4,643,797	4,544,097	4,544,097	4,518,133	4,910,105	5,256,132
	Non current liabilities										
	Borrowing	2,276,068	3,715,714	4,333,206	4,557,118	4,557,118	4,557,118	4,557,118	5,163,597	5,998,703	6,818,395
	Provisions	1,749,200	1,881,265	2,151,470	2,231,888	2,231,888	2,231,888	2,231,888	2,401,818	2,560,694	2,746,238
	Total non current liabilities	4,025,268	5,596,979	6,484,677	6,789,006	6,789,006	6,789,006	6,789,006	7,565,415	8,559,397	9,564,633
	TOTAL LIABILITIES	7,676,933	9,089,739	10,244,526	11,432,803	11,432,803	11,333,104	11,333,104	12,083,547	13,469,501	14,820,765
	NET ASSETS	42,880,968	38,275,481	38,840,752	42,865,886	42,865,757	42,865,757	42,865,757	43,714,835	44,538,215	45,591,892
	COMMUNITY WEALTH/EQUITY										
	Accumulated Surplus/(Deficit)	42,880,968	38,275,481	38,840,752	42,865,886	42,865,757	42,865,757	42,865,757	43,584,835	44,443,215	45,301,892
	Reserves	-	-	-	-	-	-	-	130,000	95,000	290,000
	Minorities' interests	-	-	-	-	-	-	-	-	-	-
	TOTAL COMMUNITY WEALTH/EQUITY	42,880,968	38,275,481	38,840,752	42,865,886	42,865,757	42,865,757	42,865,757	43,714,835	44,538,215	45,591,892

Explanatory notes to MBRR Table A6 - Budgeted Financial Position

1. Table MBRR A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

3. Table 87 MBRR Table SA3 – Supporting detail to Statement of Financial Position is supported by an extensive table of notes (SA3 which can be found on page 302. providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 25 MBRR Table A7 - Budgeted Cash Flow Statement

R thousand	Description	2009/10				2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
	CASH FLOW FROM OPERATING ACTIVITIES														
	Receipts														
	Ratepayers and other	8,927,696	11,518,108	14,381,630	18,390,941	18,390,941	18,390,941	18,390,941	18,390,941	18,390,941	20,352,644	22,041,635	23,752,712		
	Government - operating	2,394,111	2,749,523	3,250,953	2,135,790	2,135,790	2,135,790	2,135,790	2,135,790	2,135,790	2,618,495	2,672,624	2,718,048		
	Government - capital	523,968	581,561	1,272,382	1,412,402	1,412,402	1,412,402	1,412,402	1,412,402	1,412,402	1,691,438	1,750,180	1,835,509		
	Interest	361,302	331,761	353,623	352,331	352,331	352,331	352,331	352,331	352,331	397,327	435,862	472,035		
	Dividends														
	Payments														
	Suppliers and employees	(11,112,286)	(13,422,268)	(15,307,210)	(17,655,830)	(17,795,830)	(17,828,674)	(17,828,674)	(17,828,674)	(17,828,674)	(20,095,349)	(21,338,251)	(22,997,941)		
	Finance charges	(307,458)	(382,613)	(453,418)	(580,158)	(580,158)	(580,158)	(580,158)	(580,158)	(580,158)	(685,215)	(924,964)	(896,407)		
	Transfers and Grants	(57,093)	(134,179)	(426,285)	(1,137,904)	(997,904)	(985,060)	(985,060)	(985,060)	(985,060)	(1,003,679)	(1,077,451)	(1,156,510)		
	NET CASH FROM/(USED) OPERATING ACTIVITIES	730,240	1,241,882	3,071,675	2,917,572	2,917,572	2,917,572	2,917,572	2,917,572	2,917,572	3,275,662	3,459,634	3,727,445		
	CASH FLOWS FROM INVESTING ACTIVITIES														
	Receipts														
	Proceeds on disposal of PPE	38,601	4,553	1,646											
	Decrease (increase) in non-current debtors														
	Decrease (increase) other non-current receivables	88,436	25,502	(187)						43					
	Decrease (increase) in non-current investments	14,677	80,081	(242,575)	(223,857)	(223,857)	(223,857)	(223,857)	(223,857)	(127,916)	113,565	(57,256)	(52,690)		
	Payments														
	Capital assets	(1,937,292)	(1,926,053)	(2,001,014)	(2,650,708)	(2,557,739)	(2,301,965)	(2,301,965)	(2,301,965)	(2,301,965)	(2,980,933)	(3,119,799)	(3,368,826)		
	NET CASH FROM/(USED) INVESTING ACTIVITIES	(1,795,578)	(1,815,917)	(2,242,131)	(2,874,565)	(2,781,596)	(2,429,838)	(2,429,838)	(2,429,838)	(2,429,838)	(2,867,367)	(3,177,055)	(3,421,516)		
	CASH FLOWS FROM FINANCING ACTIVITIES														
	Receipts														
	Short term loans														
	Borrowing long term/refinancing	800,000	1,615,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	785,000	997,106	1,000,100		
	Increase (decrease) in consumer deposits	43,873	70,011	45,573	35,689	35,689	20,313	20,313	20,313	20,313	38,152	41,966	43,680		
	Payments														
	Repayment of borrowing	(178,835)	(436,738)	(175,557)	(182,358)	(182,358)	(182,358)	(182,358)	(182,358)	(182,358)	(247,039)	(178,648)	(162,000)		
	NET CASH FROM/(USED) FINANCING ACTIVITIES	665,038	1,248,273	670,016	653,331	653,331	637,955	637,955	637,955	637,955	247,039	860,424	881,780		
	NET INCREASE/ (DECREASE) IN CASH HELD	(400,300)	674,238	1,499,561	696,338	789,307	1,125,689	1,125,689	1,125,689	1,125,689	655,334	1,143,003	1,187,709		
	Cash/cash equivalents at the year begin:	1,064,925	664,625	1,338,863	2,193,076	2,193,076	2,193,076	2,193,076	2,193,076	2,193,076	2,982,384	3,637,717	4,780,720		
	Cash/cash equivalents at the year end:	664,625	1,338,863	2,838,424	2,889,414	2,982,383	3,318,765	3,318,765	3,318,765	3,318,765	3,637,717	4,780,720	5,968,429		

Table 26 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	EKU Ekurhuleni Metro - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation										
	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework	
	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	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	664,625	1,338,863	2,839,424	2,839,424	2,889,414	2,982,383	3,318,765	3,318,765	3,637,717	4,780,720	5,968,429
Other current investments > 90 days	246,306	20,000	21,285	21,285	20,000	20,000	21,285	21,285	21,285	21,285	21,285
Non current assets - Investments	84,670	230,895	472,185	472,185	636,976	636,976	600,101	600,101	522,126	579,381	632,071
Cash and investments available:	995,602	1,589,759	3,331,895	3,331,895	3,546,390	3,639,359	3,940,151	3,940,151	4,181,128	5,381,387	6,621,785
Application of cash and investments											
Unspent conditional transfers	200,485	133,881	99,676	99,676	99,676	99,676	-	-	-	-	-
Unspent borrowing	331,232	87,660	412,161	412,161	236,316	124,428	352,547	352,547	97,898	97,898	97,898
Statutory requirements											
Other working capital requirements	474,754	(13,156)	133,793	133,793	693,187	694,047	110,447	110,447	744,399	833,517	815,967
Other provisions											
Long term investments committed	301,501	224,185	464,610	464,610	649,192	649,192	596,063	596,063	511,252	550,642	637,121
Reserves to be backed by cash/investments	598,566	571,366	684,614	684,614	934,879	934,879	1,019,879	1,019,879	1,202,040	1,717,350	1,925,526
Total Application of cash and investments:	1,906,539	1,003,937	1,794,853	1,794,853	2,613,250	2,502,222	2,078,937	1,726,390	2,555,589	3,199,407	3,476,512
Surplus (shortfall)	(910,937)	585,822	1,537,041	1,537,041	933,140	1,137,137	1,861,215	2,213,762	1,625,539	2,181,980	3,145,273
Other working capital requirements											
Debtors	1,864,484	2,477,030	2,552,038	2,552,038	2,457,819	2,456,959	3,040,559	3,040,559	2,721,708	2,979,201	3,259,828
Creditors due	2,339,238	2,463,874	2,685,831	2,685,831	3,151,006	3,151,006	3,151,006	3,151,006	3,466,107	3,812,718	4,075,795
Total	(474,754)	13,156	(133,793)	(133,793)	(693,187)	(694,047)	(110,447)	(110,447)	(744,399)	(833,517)	(815,967)
Debtors collection assumptions											
Balance outstanding - debtors	2,828,468	2,859,965	2,855,667	2,855,667	2,680,513	2,680,513	3,246,420	3,246,420	2,935,123	3,215,194	3,521,360
Estimate of debtors collection rate	66%	87%	89%	89%	92%	92%	94%	94%	93%	93%	93%

Explanatory notes to MBRR Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the Metro is increasing steadily after the initial fall towards 2008/09.
4. The cash and cash equivalents increase because of healthy increases in operational activities due to implementations of various interventions, i.e. extensive debt collection drive.
5. The 2013/14 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
6. Cash and cash equivalents is expected to improve dramatically, growing from R665m in 2009/10, to R5.968 billion in 2015/16. This increase is in line with the Metro's aim to achieve a 3 month's operating expenses coverage with its available cash and cash equivalents balances in the near future. As can be seen from the table, the Metro has a healthy net cash inflow from its operating activities. This result steadily increases over the MTREF period. This indicates that the cash inflows (inflows from ratepayers, etc.) generated from operating activities substantially exceeds the cash outflows (outflows to suppliers, employees etc.) of the operating activities. The significant net cash outflows from Investing activities indicates inter alia that the Metro is spending vast amounts on capital assets (Property, plant and equipment etc.). This is made possible largely due to the healthy net cash inflows from operating activities mentioned above. The net cash inflows from financing activities is largely due to existing bonds and new bonds that will be taken up during the MTREF, as discussed in various sections within this document.

Explanatory notes to MBRR 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. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. The end objective of the medium-term framework is to ensure the budget is funded aligned to section 18 of the MFMA.
6. From the table it can be seen that for the period 2010/11 the cash shortage decreases from previous years and is projected that it will change to a surplus during the current year.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2014/15 MTREF and considering the requirements of section 18 of the MFMA, it can be concluded that the 2013/14 MTREF is funded due to the significant cash surplus.
8. As can be seen the budget has been modelled to progressively move from a deficit of R911 million in 2009/10 to a surplus of R3 145 million by 2015/16.
9. Cash and investments available increases from R996m in 2009/10, to R6.6 billion in 2015/16, mainly due to the increase in the cash and cash equivalents, as discussed in the cash flow section. The application of cash and commitments similarly

increase from R1.9 billion to R3.4 billion. This is mainly due to long-term investments (sinking funds) committed to repay borrowings, as well as due to increased cash-backed reserves. Overall the surplus indicates healthy growth from an initial deficit of R911m, to a positive R3.1 billion in 2015/16. This increase is in line with the Metro's aim to achieve a 3 month's operating expenses coverage with its available cash and cash equivalents balances in the near future.

Table 27 MBRR Table A9 - Asset Management

R thousand	Description	EkuKuhleni Metro - Table A9 Consolidated Asset Management											
		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													
Total New Assets													
	Infrastructure - Road transport	1,169,691	1,021,357	949,047	1,598,818	1,546,194	1,391,575	1,550,843	1,788,319	1,884,559			
	Infrastructure - Electricity	211,086	187,971	86,786	379,200	397,850	358,065	606,942	563,101	620,498			
	Infrastructure - Water	234,540	157,550	269,673	263,679	285,374	256,836	164,931	340,100	417,000			
	Infrastructure - Sanitation	48,155	52,971	8,966	140,800	138,585	124,727	191,000	264,600	303,500			
	Infrastructure - Other	12,069	13,276	75,797	109,443	101,905	91,715	110,100	130,017	67,600			
	Infrastructure	88,433	25,570	193,344	268,432	238,751	214,876	216,255	226,700	161,500			
	Community	594,282	437,337	634,556	1,161,554	1,162,465	1,046,219	1,289,228	1,524,519	1,570,098			
	Investment properties	207,934	191,353	131,651	158,260	124,368	111,931	127,610	107,800	136,611			
	Other assets	168,942	142,600	52,934	77,683	74,649	67,184	38,550	27,000	75,000			
		208,532	250,067	129,907	201,321	184,713	166,241	95,454	129,000	102,850			
	Total Renewal of Existing Assets	767,602	904,696	1,051,967	1,051,890	1,011,544	910,390	1,430,090	1,331,480	1,484,268			
	Infrastructure - Road transport	330,274	365,302	223,653	244,950	172,600	155,340	325,195	268,650	299,050			
	Infrastructure - Electricity	134,529	148,082	100,456	98,128	92,933	83,640	168,100	164,900	212,000			
	Infrastructure - Water	18,932	21,826	268,125	91,485	91,560	82,404	40,100	14,300	-			
	Infrastructure - Sanitation	9,237	11,161	28,654	60,372	46,924	42,231	68,900	14,200	8,200			
	Infrastructure - Other	138,363	154,199	99,807	109,800	106,158	95,542	118,700	160,000	191,600			
	Infrastructure	631,336	700,570	720,695	604,735	510,175	459,157	720,995	622,250	710,650			
	Community	88,707	101,978	67,406	76,910	88,953	80,057	154,250	156,950	164,800			
	Investment properties	-	-	-	-	-	-	31,000	93,000	100,000			
	Other assets	47,559	102,149	263,866	370,245	412,417	371,175	523,845	459,280	508,618			
	Total Capital Expenditure	541,360	553,273	310,439	624,150	570,450	513,405	932,137	831,951	919,548			
	Infrastructure - Road transport	369,070	305,632	370,129	361,807	378,307	340,476	333,031	505,000	629,000			
	Infrastructure - Electricity	67,087	74,796	277,080	232,285	230,145	207,131	231,100	278,900	303,500			
	Infrastructure - Water	21,306	24,436	104,451	169,815	148,829	133,946	179,000	144,217	75,800			
	Infrastructure - Sanitation	226,795	179,769	293,152	378,232	344,909	310,418	334,955	386,700	353,100			
	Infrastructure - Other	1,225,618	1,137,907	1,355,251	1,766,289	1,672,640	1,505,376	2,010,223	2,146,769	2,280,948			
	Community	296,641	293,331	199,057	235,170	213,321	191,989	281,860	264,750	301,411			
	Investment properties	158,942	142,600	52,934	77,683	74,649	67,184	69,550	120,000	175,000			
	Other assets	258,091	352,216	393,773	571,566	597,130	537,417	619,300	588,280	611,468			
	TOTAL CAPITAL EXPENDITURE - Asset class	1,937,292	1,926,053	2,001,014	2,650,708	2,557,739	2,301,965	2,980,933	3,119,799	3,368,826			

EKU Ekurhuleni Metro - Table A9 Consolidated Asset Management														
R thousand	Description	2009/10			2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	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		
ASSET REGISTER SUMMARY - PPE (WDV)														
	Infrastructure - Road transport	17,040,343	16,680,304	16,015,294	17,022,088	17,010,988	17,010,988	17,010,988	17,010,988	18,324,324	17,615,222	17,048,439		
	Infrastructure - Electricity	13,049,967	12,812,647	12,690,004	12,668,774	12,668,774	12,668,774	12,668,774	12,668,774	13,542,481	13,119,005	12,849,072		
	Infrastructure - Water	3,051,261	3,032,370	3,018,449	3,638,508	3,588,533	3,588,533	3,588,533	3,588,533	4,116,362	4,318,379	4,507,921		
	Infrastructure - Sanitation	2,732,073	2,715,159	3,037,819	2,865,428	2,865,428	2,865,428	2,865,428	2,865,428	3,255,669	3,216,599	3,114,995		
	Infrastructure - Other	639,772	639,772	668,875	859,496	774,176	774,176	774,176	774,176	1,504,314	2,053,717	2,563,169		
	Infrastructure	36,512,416	35,680,252	35,430,441	37,054,294	36,907,899	36,907,899	36,907,899	36,907,899	40,743,150	40,322,923	40,063,596		
	Community	3,093,719	3,293,219	3,653,445	3,126,383	3,051,079	3,051,079	3,051,079	3,051,079	3,462,352	3,533,027	3,600,915		
	Heritage assets	78,395	78,395	78,395	78,950	78,950	78,950	78,950	78,950	78,950	78,950	78,950		
	Investment properties	106,718	126,279	110,247	126,279	126,279	126,279	126,279	126,279	126,279	126,279	126,279		
	Other assets	6,770,904	3,373,481	3,413,637	7,490,080	7,618,680	7,618,680	7,618,680	7,618,680	4,064,257	5,130,334	6,147,161		
	Intangibles	24,317	31,396	66,507	31,396	31,396	31,396	31,396	31,396	31,396	31,396	31,396		
	TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	46,586,469	42,783,023	42,752,670	47,907,382	47,814,284	47,814,284	47,814,284	47,814,284	48,506,384	49,222,909	50,068,297		
EXPENDITURE OTHER ITEMS														
	Depreciation & asset impairment	484,108	2,068,687	2,029,144	1,241,274	1,361,274	1,361,274	1,287,549	1,287,549	1,312,896	1,378,540	1,447,467		
	Repairs and Maintenance by Asset Class	1,566,523	1,781,722	1,737,189	1,955,295	1,967,819	1,967,819	1,864,718	1,864,718	2,118,929	2,250,519	2,386,978		
	Infrastructure - Road transport	438,021	453,172	392,310	435,039	435,591	435,591	430,134	430,134	468,365	494,538	521,208		
	Infrastructure - Electricity	471,406	532,544	582,466	634,274	634,966	634,966	623,431	623,431	695,939	744,377	795,464		
	Infrastructure - Water	248,183	262,002	263,802	299,760	295,074	295,074	296,763	296,763	312,912	334,352	356,806		
	Infrastructure - Sanitation	75,974	70,635	85,982	74,202	76,202	76,202	81,625	81,625	80,294	85,196	90,231		
	Infrastructure - Other	53,005	53,506	52,953	55,600	56,600	56,600	55,280	55,280	62,944	66,154	69,396		
	Infrastructure	1,286,587	1,371,859	1,377,514	1,498,875	1,498,433	1,498,433	1,487,233	1,487,233	1,620,454	1,724,618	1,833,104		
	Community	42,788	45,186	43,852	57,349	63,273	63,273	59,675	59,675	73,418	77,222	81,070		
	Heritage assets	75,640	85,274	100,420	134,124	134,124	134,124	75,067	75,067	145,618	153,659	161,844		
	Investment properties	9,278	18,777	22,401	26,272	26,272	26,272	25,572	25,572	26,410	28,523	30,804		
	Other assets	152,230	260,625	193,002	238,675	245,716	245,716	217,170	217,170	253,029	266,497	280,155		
	TOTAL EXPENDITURE OTHER ITEMS	2,050,631	3,850,409	3,766,333	3,196,569	3,329,093	3,329,093	3,152,268	3,152,268	3,431,825	3,629,059	3,834,445		
	Renewal of Existing Assets as % of total capex	39.6%	47.0%	52.6%	39.7%	39.5%	39.5%	39.5%	39.5%	48.0%	42.7%	44.1%		
	Renewal of Existing Assets as % of depreciated R&M as a % of PPE	158.6%	43.7%	51.8%	84.7%	74.3%	74.3%	70.7%	70.7%	108.9%	96.6%	102.5%		
	Renewal and R&M as a % of PPE	3.4%	4.2%	4.1%	4.1%	4.1%	4.1%	4.0%	4.0%	4.4%	4.6%	4.8%		
	Renewal and R&M as a % of PPE	5.0%	6.0%	7.0%	6.0%	6.0%	6.0%	6.0%	6.0%	7.0%	7.0%	8.0%		

Explanatory notes to MBRR Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40% of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8% of PPE. The Metro meets the 40% renewal requirement. The R and M requirement is not met due to the EMM having re-valued its assets with the first time adoption of GRAP 17 and asset values are currently high in relation to other municipalities.
3. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the Metro’s strategy to address the maintenance backlog.

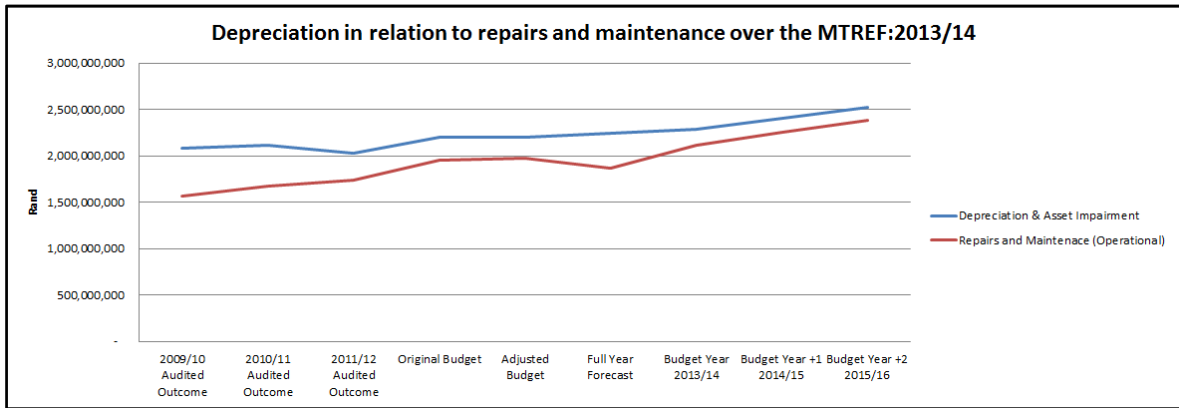


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

Table 28 MBRR Table A10 - Basic Service Delivery Measurement

Description	EKU Ekurhuleni Metro - Table A10 Consolidated basic service delivery measurement											
	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	456,077	456,077	465,881	465,881	465,881	465,881	465,881	465,881	473,800	481,855	490,046	498,377
Piped water inside yard (but not in dwelling)	159,526	159,526	-	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	130,000	130,000	162,414	162,414	162,414	162,414	162,414	162,414	162,414	162,414	162,414	162,414
Other water supply (at least min.service level)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<i>Minimum Service Level and Above sub-total</i>	747,603	747,603	630,295	630,295	630,295	630,295	630,295	630,295	638,214	646,269	654,460	662,791
Using public tap (< min.service level)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total number of households	767,603	767,603	650,295	650,295	650,295	650,295	650,295	650,295	658,214	666,269	674,460	682,791
Sanitation/sewerage:												
Flush toilet (connected to sewerage)	615,603	615,603	464,673	464,673	464,673	464,673	464,673	464,673	472,592	480,647	488,838	497,169
Flush toilet (with septic tank)	3,000	3,000	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208
Chemical toilet	90,000	90,000	95,500	95,500	95,500	95,500	95,500	95,500	95,500	100,000	100,000	100,000
Pit toilet (ventilated)	60,000	60,000	66,914	66,914	66,914	66,914	66,914	66,914	66,914	62,414	62,414	62,414
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	768,603	768,603	628,295	628,295	628,295	628,295	628,295	628,295	636,214	644,269	652,460	660,791
Bucket toilet	-	-	-	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-	-	-
Total number of households	768,603	768,603	628,295	628,295	628,295	628,295	628,295	628,295	636,214	644,269	652,460	660,791

EKU Ekurhuleni Metro - Table A10 Consolidated 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	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Energy:</u>											
Electricity (at least min. service level)	188,705	188,705	188,705	188,705	188,705	185,000	176,994	176,994	176,994	176,994	176,994
Electricity - prepaid (min. service level)	291,185	291,185	291,185	291,185	291,185	206,539	213,831	213,831	223,831	233,831	243,831
<i>Minimum Service Level and Above sub-total</i>	479,890	479,890	479,890	479,890	479,890	391,539	390,825	390,825	400,825	410,825	420,825
Electricity (< min. service level)	287,713	287,713	287,713	287,713	287,713	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	287,713	287,713	287,713	287,713	287,713	-	-	-	-	-	-
Total number of households	767,603	767,603	767,603	767,603	479,890	391,539	390,825	390,825	400,825	410,825	420,825
<u>Refuse:</u>											
Removed at least once a week	672,336	672,336	672,336	672,336	686,000	721,006	721,006	721,006	774,499	828,714	895,011
<i>Minimum Service Level and Above sub-total</i>	672,336	672,336	672,336	672,336	686,000	721,006	721,006	721,006	774,499	828,714	895,011
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-	-	-
Using communal refuse dump	64,000	64,000	64,000	64,000	164,000	169,125	169,125	169,125	181,673	194,390	209,941
Using own refuse dump	-	-	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	64,000	64,000	64,000	64,000	164,000	169,125	169,125	169,125	181,673	194,390	209,941
Total number of households	736,336	736,336	736,336	736,336	850,000	890,131	890,131	890,131	956,172	1,023,104	1,104,952
<u>Households receiving Free Basic Service</u>											
Water (6 kilolifres per household per month)	768,603	768,603	768,603	768,603	650,295	650,295	650,295	658,214	666,269	674,460	682,791
Sanitation (free minimum level service)	768,603	768,603	768,603	768,603	628,295	628,295	628,295	636,214	644,269	652,460	660,791
Electricity/other energy (50kwh per household per month)	291,185	291,185	291,185	291,185	-	-	-	-	-	-	-
Refuse (removed at least once a week)	38,001	189,281	189,281	189,281	-	-	-	-	-	-	-

EKU Ekurhuleni Metro - Table A10 Consolidated 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	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cost of Free Basic Services provided (R'000)										
Water (6 kilolitrres per household per month)	-	-	17,756	19,752	19,752	19,752	19,752	22,187	24,645	27,407
Sanitation (free sanitation service)	-	-	5,833	6,088	6,088	6,088	6,088	6,688	7,242	7,850
Electricity/other energy (50kwh per household per month)	-	-	12,717	11,746	11,746	11,746	11,746	13,227	14,379	15,781
Refuse (removed once a week)	-	-	2,295	3,770	3,770	3,770	3,770	4,485	4,934	5,304
Total cost of FBS provided (minimum social package)	-	-	38,601	41,356	41,356	41,356	41,356	46,586	51,199	56,342
Highest level of free service provided										
Property rates (R value threshold)			150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Water (kilolitrres per household per month)	9	9	9	9	9	9	9	9	9	9
Sanitation (kilolitrres per household per month)	9	9	9	9	9	9	9	9	9	9
Sanitation (Rand per household per month)	37	43	43	64	64	64	64	69	74	80
Electricity (kwh per household per month)	100	100	100	100	100	100	100	100	100	100
Refuse (average litres per week)	100	240	240	240	240	240	240	240	240	240
Revenue cost of free services provided (R'000)										
Property rates (R15 000 threshold rebate)	-	562,903	512,920	563,384	563,384	563,384	562,865	578,173	621,536	668,151
Property rates (other exemptions, reductions and rebates)	-	36,654	106,676	118,986	118,986	118,986	124,990	145,224	156,116	167,824
Water	-	242,553	269,106	298,356	298,356	298,356	312,955	327,654	360,419	396,461
Sanitation	-	179,418	208,557	240,987	240,987	240,987	252,342	269,905	290,148	311,909
Electricity/other energy	-	185,003	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	-	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	-	1,206,531	1,097,260	1,221,713	1,221,713	1,221,713	1,243,152	1,320,956	1,428,219	1,544,346

Explanatory notes to MBRR 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 Metro continues to make good progress with the eradication of backlogs:
3. The budget provides for 50 000 households to be registered as indigent in 2013/14, and therefore entitled to receiving Free Basic Services. The number has been left at a constant 50 000 over the MTREF period, mainly due to affordability. The equitable share grant currently does not cover the cost of free basic services. The level of free basic services will have to be reviewed to cover the cost of additional indigents given the rapid rate of in-migration to the Metro, especially by poor people seeking economic opportunities.
4. It is anticipated that these Free Basic Services will cost the municipality R2.3 billion in 2013/14. This 'tax expenditure' needs to be seen within the context of the municipality's overall revenue management strategy – the more the municipality gives away, the less there is available to fund other services.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the 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.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Metro's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

The key deadlines for the compilation of the IDP and Medium Term Revenue and Expenditure Framework (MTREF, or Budget) was submitted to Council for approval during August 2012 as required by section 21(b) of the MFMA. In terms of the approved key deadlines, the IDP and Budget will be tabled to Council at the end of March 2013. Public Participation is scheduled for April 2013 with final adoption of the IDP and Budget during May 2013.

The departments received budget compilation guidelines and templates to be used in support of their budget requests during October 2012.

Departments were engaged during October to December 2012 on the review of the IDP in terms of the GDS 2055 which was approved end of November 2012. The tabled IDP and SDBIP were formulated in terms of the high level results of the GDS 2055 Programmes.

Departments submitted their Operating and Capital Budget requests to the Finance department for consolidation during November 2012. Consolidation of the departmental input received and analysis of the requests took place during November and December 2012.

In the budget processes of the 2011/2012 and earlier budget cycles, the draft IDP and Budget was discussed with portfolio committees and thereafter submitted to Mayoral Committee and Council as part of the tabling process.

During the previous financial year, however, the separation of powers model was adopted and the budget for the 2012/2013 financial year was finalised by the Executive and tabled to Council. This process had the weakness of the legislature saw the tabled budget for the first time when it was tabled.

To ensure adequate consultation with all councillors (both executive and legislature) the process was revised in this budget cycle so that a draft (skeleton) IDP and Budget was submitted to Council by the end of January to give oversight committees the opportunity to engage with the draft budget before the formal tabling to Council takes place in March 2013.

IBALCO Meetings

The IBALCO meeting has been set up as a subcommittee of the City Manager's Strategic Management Team (SMT) process. This committee is tasked with the technical evaluation of departmental budget requests.

The following IBALCO meetings took place:

- 1 October 2012: IBALCO meeting to consider Budget process to be followed and to agree on the budget guidelines to be issued to departments
- November 2012: IBALCO meeting to consider Operating Budget, and in particular, fixed cost budget
- 12 December 2012: IBALCO meeting to consider pricing proposals to be made to the Budget Steering Committee
- 14, 17 and 18 January 2013: IBALCO meeting to consider final Operating and Capital Budget submissions to be presented to the Budget Steering Committee as well as Draft Pricing Policy Statement.

Budget Steering Committee

The Budget Steering Committee has been set up by the Executive Mayor in terms of section 4 of the Municipal Budget and Reporting Regulations.

The Budget Steering Committee is chaired by the MMC Finance and the membership is as follows:

- Executive Mayor (Ex officio)
- MMC Finance (Chairperson)
- Mayoral Committee Cluster Chairpersons – all MMC's are invited to many of the meetings
- City Manager
- Chief Financial Officer
- Chief Operating Officer
- ED Housing
- ED Roads and Transport
- ED Electricity
- ED Water and Sanitation
- ED HR
- Head EPMO
- GM OPM
- Director Budget and Financial Management
- Director IDP
- Director PMO

The following meetings were held by the Budget Steering Committee:

- 16 November 2012: Meeting held to consider Draft Medium Term Budget Policy Statement
- 12 December 2012: Meeting held to discuss proposals on the Draft Pricing Policy Statement
- 23 and 24 January 2013: Meeting held to consider Draft Operating and Capital Budget as well as Pricing Policy Statement to be submitted to Council in January 2013. The adjustments budget for the 202/2013 financial year was also discussed at this session.
- 23 to 25 March 2013: The capital budget was reviewed in detail after the public participation process was completed.
- 30 March 2013: Consideration of the final tariff increases especially with regard to water and electricity.

The draft Budget Medium Term Budget Policy Statement was also discussed by the Mayoral Committee at the Mayoral Lekgotla between the 16th and 19th October 2012.

Key dates applicable to the process with actual progress made were:

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
August 2012	<p>IBALCO to review 2012/2013 IDP / Budget compilation process including comments received from Provincial and National Treasury</p> <p>Approval of Key Deadlines as required by Section 21 of the MFMA</p> <p>Mayoral Cluster Meeting – 8 August 2012 Mayoral Committee – 15 August 2012 Senior Management Planning session: 19 – 21 August 2012 Council – 30 August 2012</p> <p>Carry over adjustments budget for the 2012/2013 financial year:</p> <p>Mayoral Cluster Meeting – 8 August 2012 Mayoral Committee – 15 August 2012 Council – 30 August 2012</p> <p>Final Virements and un-avoidable and unforeseeable adjustments budget for 2011/2012:</p> <p>Mayoral Cluster Meeting – 8 August 2012 (tentative figures, approval to be requested to updated before Mayoral Committee to include final figures from Annual Financial Statements Process) Mayoral Committee – 15 August 2012 Council – 30 August 2012</p> <p>ACTUAL PROGRESS MADE:</p> <ul style="list-style-type: none"> ➤ Council approved Key Deadlines on 30 August 2012 per item (A-F 37-2012) ➤ Council approved Carry Over Adjustments Budget on 30 August 2012 per item (A-F 38-2012) ➤ Council Approved Final Un-avoidable and unforeseeable adjustments budget for 2011/2012 on 25 October 2012 per item (A-F 42-2012) 			
September 2012	<p>Political Budget Lekgotla to set priorities for IDP / Budget cycle</p> <p>Political consensus to be reached on application of Project Prioritisation methodology as proposed in the Capital Investment Framework (CIF)</p> <p>Mayoral Committee to consider Budget priorities and CIF – 19 September 2012 Council to consider Budget priorities and CIF – 27 September 2012</p>			

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
	<p>ACTUAL PROGRESS MADE:</p> <p>Mayoral Lekgotla took place between the 16th and 19th October 2012. Draft Budget Policy Statement considered at the workshop. A follow up workshop was held on the 16th November 2012 to finalise the Budget Policy Statement and Capital Investment Framework.</p>			
September – October 2012		<p>Compilation and evaluation of fixed cost expenditure budget to ring-fence the amount required for this purpose:</p> <p>Compilation by Budget Office – 1 – 15 September 2012 Information circulated 18 September 2012 IBALCO – 21 September 2012 SMT Exco – 1 October 2012 Budget Steering Committee - 17 October 2012</p> <p>ACTUAL PROGRESS MADE:</p> <p>Completed</p>	<p>Project plans and related outputs of the projects already approved as part of the multi-year budget that will continue in 2013/2014 to be used as the basis for the first part of the capital budget and SDBIP, being the committed capital projects where funding have already been approved.</p> <p>Compilation by PMO and Budget Office – 1 – 15 September 2012 Information circulated 18 September 2012 IBALCO – 21 September 2012 SMT Exco – 1 October 2012 Budget Steering Committee - 17 October 2012</p> <p>ACTUAL PROGRESS MADE:</p> <p>Completed</p>	
October – November 2012		<p>The next step will be to draft the tariff increases and the revenue budget to determine the total amount available for appropriation to other expenditure categories and</p>	<p>New project proposals must be subjected to project prioritization. The business plan submitted for project prioritization must contain outputs to be achieved. Outputs of the projects approved for funding will thus be included in the SDBIP.</p>	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
		<p>operational projects. Tariff increases based on tentative increases received from bulk service providers and to be confirmed later in the process.</p> <p>Establishment of tariff task team Departments to cost their services as basis for tariff setting Corporate Legal to scrutinize all tariff proposals for legal compliance and accuracy Budget Office to check all tariff costing calculations for alignment with current budget</p> <p>Compilation by Depts. and Budget Office – 1 – 12 October 2012 Information circulated 16 October 2012 IBALCO – 19 October 2012 SMT Exco – 29 October 2012 Budget Steering Committee - 14 November 2012</p> <p>ACTUAL PROGRESS MADE: Completed</p>	<p>Compilation by Depts., PMO and Budget Office – 1 – 12 October 2012 Information circulated 16 October 2012 IBALCO – 19 October 2012 SMT Exco – 29 October 2012 Budget Steering Committee - 14 November 2012</p> <p>Note: Capital amounts will be TENTATIVE and will be re-confirmed later in the year as more information on bids and project progress becomes available.</p> <p>After this step the CAPITAL section of the departmental SDBIP's should be completed.</p> <p>ACTUAL PROGRESS MADE: Completed</p>	
October – November 2012	IDP Review Workshops with the Community			

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
<p>November 2012 and December 2012</p>	<p>Alignment of outputs in the capital budget SDBIP to Metro outcomes and National outcomes.</p> <p>No committees, admin processes</p>	<p>An overheads cost allocation will be given to departments based on the available funds. This will be based on norms and standards that will be recommended by the IDP, Budget, Assets and Liability Committee (IBALCO) and approved by the Budget Steering Committee.</p> <p>Departments will then be given an opportunity to submit proposals for service delivery operating budget projects, which must include the outputs to be achieved.</p> <p>Parallel to this the 2012/2013 main adjustments budget must be compiled</p> <p>Compilation by Budget Office – December 2012 Information circulated 8 January 2013 IBALCO – 11 January 2013 SMT Exco – 21 January 2013 Combined Budget Steering and Mayoral Committee - 25 January 2013</p> <p>MMC's to present their budgets to the Council 31 January 2012.</p>		

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
		<p>ACTUAL PROGRESS MADE:</p> <p>Completed</p> <p>Presentations to Councillors on Skeleton IDP / Budget as follows:</p> <p>ANC Caucus – 7 February 2013 DA – Caucus – 11 February 2013 Minority Parties – 18 February 2013</p>		
February and March 2013	<p>Engagements with Oversight committees PRIOR to the tabling of the budget:</p> <p>Workshops with individual oversight committees per department to discuss departmental budgets: (to be facilitated by the HOD's)</p> <ul style="list-style-type: none"> • Tariff increases • Capital budgets including projects and outputs to be achieved • Operating budgets • SDBIP proposals <p>Workshops with all councilors (combined workshops) to discuss Metro total budget: (to be facilitated by IDP Office and Finance)</p> <ul style="list-style-type: none"> • Tariff increases • Capital budgets including projects and outputs to be achieved • Operating budgets • SDBIP proposals • Projects per ward to be disseminated <p>ACTUAL PROGRESS MADE:</p>			

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
	<p>Completed</p> <p>Infrastructure Cluster Oversight Committees – 21 February 2013 Social Cluster Oversight Committees – 22 February 2013 Corporate and Finance Cluster Oversight Committees – 26 February 2013 City Planning and Economic Development Oversight Committees – 5 March 2013</p>			
<p>March 2013 (4 working days to be set aside for this purpose)</p>	<p>Engagement with National Treasury re proposed budget to be tabled (Propose a 4 day work session with NT to discuss the mid-year review in the first two days and the proposed budget in the 2nd two days – NT input is essential PRIOR the tabling of the budget to ensure matters raised by NT is sufficiently addressed). This will include the funding compliance test of the National Treasury.</p>			
<p>March 2013</p>	<p>Consolidated Draft IDP and budget tabled (formal MFMA tabling):</p> <p>Information circulated 12 March 2013 Joint IBALCO / SMT Exco – 15 March 2013 Joint Budget Steering Committee / Mayoral Committee – 19 March 2013 Council – 28 March 2013</p>			
<p>March 2013</p>	<p>Preparation of Budget Tips Campaign – printing of posters, flyers, etc. To be available directly after the tabling of the Reviewed IDP and Budget to Council. Budget Feedback Campaign</p>			
<p>Immediately after Council approval</p>	<p>Making public of tabled IDP / Budget as per the MFMA and MSA requirements</p> <p>Submission of IDP to MEC for Comments</p> <p>Submission of Budget to NT for Comments (Including upload files in printed and electronic format)</p> <p>Submission of draft IDP / Budget to organs of state</p>			
<p>April 2013 (care should be taken that the meetings are not within either long weekends or school holidays).</p>	<p>Budget feedback workshops</p> <ul style="list-style-type: none"> - Organised business - Largest water and electricity consumers <p>Ward Committees, NGO's, CBO's, etc. and general public</p> <p>Budget feedback meetings with National and Provincial Government</p> <ul style="list-style-type: none"> - NT follow up session (if required) 			

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Proposed Date	IDP	Operating Budget	Capital Budget	SDBIP
	<ul style="list-style-type: none"> - National Sector Departments (to be detailed) - Provincial Sector Departments (to be detailed) <p>MEC re IDP</p>			
May 2013	<p>Summary of public comments received submitted to Budget Steering Committee for consideration</p> <p>Admin process of compiling information – 1 – 3 May 2013 Information circulated 7 May 2013 Joint IBALCO / SMT Exco – 10 May 2013 Final Workshop (information session) with all councilors pre final Mayoral Committee – 11 May 2013 Joint Budget Steering Committee / Mayoral Committee – 15 May 2013 Final Mayoral Committee (if necessary) – 22 May 2013 Preparation of Budget Speech – 22 – 25 May 2013 Printing of Glossy Budget documents – 23 May 2013 for delivery on the 27th May 2013 Printing of Glossy Budget speech document – 25th May for delivery on the 27th May 2013 Council – 30 May 2013</p>			
Immediately after Council approval	<p>Making public of approved IDP / Budget as per the MFMA and MSA requirements</p> <p>Submission of approved IDP to MEC for Local Government and Housing</p> <p>Submission of approved IDP and Budget to NT (Including upload files in printed and electronic format)</p>			
CM and HOD's to sign performance agreements as per approved SDBIP	<p>Performance contract signing ceremony to take place on the 14th June 2013</p>			

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The EMM IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into planning statements covering the 5 year objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The whole process was structured around supporting and working toward contributing to the achievement of the programmes set in the GDS 2055. In terms of section 34 of the Municipal Systems Act, 32 of 2000, the council must annually review its Integrated Development Plan in terms of a predetermined process. This process was adopted by the Council on 30 August 2012.

The review of the Integrated Development Plan (IDP) in terms of the Municipal Systems Act is guided and informed by the following:

- ▶ It must support and work towards achieving the Vision and Mission of EMM.
- ▶ Working towards the achievement of the EMM GDS 2055 programs
- ▶ Addressing the National Outcomes set by Parliament
- ▶ Focus on basic service delivery in terms of the eradication of backlogs and the maintenance of existing infrastructure and community needs.
- ▶ Provincial plans and programmes applicable to the specific. Budget allocations by the respective provincial sector departments to these projects should also be reflected as far as possible.

All departments were part of the process of reviewing the IDP and SDBIP in terms of the newly approved GDS 2055.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2012/13 MTREF, financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2012/13 MTREF:

- City growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2011/12 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circular 58 has been taken into consideration in the planning and prioritisation process.

2.2 Overview of alignment of annual budget with IDP

The alignment of the budget with the IDP has been achieved through the setting of targets by departments which were guided by the following principles:

- It had to be aligned to the National Outcome related to their mandate.
- Focus on basic service delivery in terms of the eradication of backlogs, provision of basic services as well as the maintenance of existing infrastructure and community needs.
- All targets set in the IDP were cross referenced to the budget as part of the result based budget process. Each outcome with its supporting activities set for the incoming year, has been linked to specific votes in the budget to be utilised to achieve it. The capital budget is fully linked, but the operational budget still requires some work to reflect details in this regard.

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Metro, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Metro strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Metro's response to these requirements.

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

- Green Paper on National Strategic Planning of 2009;
- 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 Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2013/14 MTREF and further planning refinements that have directly informed the compilation of the budget:

The main objectives of the City include

- Provision of quality basic services and infrastructure
- Economic growth and development that leads to sustainable job creation
- Fighting poverty and building clean, healthy, safe and sustainable communities
- Provision of integrated social services for empowered and sustainable communities
- Fostering participatory democracy and Batho Pele principles through a caring, accessible and accountable service
- Ensuring financial sustainability
- Optimal institutional transformation to ensure capacity to achieve set objectives

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Metro to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas are contained in the IDP.

The 2013/14 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

The Ekurhuleni Metro is in the process of reviewing its Planning, Budgeting and Reporting Cycle and improvements will be seen in the following financial years.

Table 29 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	2010/11					2011/12			Current Year 2012/13			2013/14 Medium Term Expenditure Framework		Revenue & Budget Year +2 2015/16
		Audited Outcome	Audited Outcome	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			
National Outcome 1: Improved quality of basic education	Human Resource Management and Development	27,680	28,232	23,539	19,149	19,149	19,149	19,149	21,002	22,388	23,821	23,821	23,821		
	SRAC	3,830	9,997	5,287	5,466	5,466	5,466	5,466	6,002	4,920	5,039	5,039	5,039		
National Outcome 2: A long and healthy life for all South Africans	Health and Social Development	148,948	235,270	237,286	191,720	191,720	191,720	191,720	186,775	204,709	280,234	280,234	280,234		
National Outcome 3: All people in South Africa are and feel safe	Disaster and Emergency Management Services	108,491	77,182	203,808	149,653	149,653	149,653	149,653	167,901	180,066	180,513	180,513	180,513		
	Ekurhuleni Metropolitan Police Department (EMPD)	94,634	126,262	73,322	81,869	81,869	81,869	81,869	102,948	103,697	108,190	108,190	108,190		
National Outcome 4: Decent Employment through inclusive Economic Growth	Economic Development	19,169	17,024	16,738	28,455	28,455	28,455	28,455	60,360	50,591	56,687	56,687	56,687		
National Outcome 5: A skilled and capable workforce to support and inclusive growth path	Human Resource Management and Development	63,123	62,800	25	-	-	-	-	-	-	-	-	-		
National Outcome 6: An efficient, competitive and responsive economic infrastructure network	Energy	6,446,029	8,445,034	10,179,220	11,423,075	11,423,075	11,423,075	11,423,075	12,004,860	13,097,498	14,202,610	14,202,610	14,202,610		
	Real Estate	26,380	27,157	26,030	116,849	116,849	116,849	116,849	64,000	15,120	16,330	16,330	16,330		
National Outcome 8: Sustainable human settlements and improved quality of household life	Human Settlements	236,244	164,101	95,167	90,068	90,068	90,068	90,068	294,536	154,688	156,387	156,387	156,387		
	Roads and Stormwater	316,137	333,599	246,516	542,996	542,996	542,996	542,996	581,159	519,249	589,189	589,189	589,189		
	SRAC	50,197	48,049	74,640	94,862	94,862	94,862	94,862	143,348	62,662	63,469	63,469	63,469		
	Transport Planning & Provisioning	17,602	19,340	20,989	102,551	102,551	102,551	102,551	573,671	599,427	585,609	585,609	585,609		
	Water and Sanitation	2,899,416	2,945,453	4,101,802	4,397,254	4,397,254	4,397,254	4,397,254	4,558,905	5,011,693	5,384,174	5,384,174	5,384,174		
National Outcome 9: A responsible, accountable, effective and efficient local government system	City Planning	2,492	2,300	1,873	2,013	2,013	2,013	2,013	58,768	36,743	38,544	38,544	38,544		
	City Manager	254,051	267,902	225,894	243,226	243,226	243,226	243,226	2	2	2	2	2		
	Corporate Legal	72,007	18,616	10,374	5,000	5,000	5,000	5,000	1,384	1,455	1,526	1,526	1,526		
	Council General	5,580	7,175	-	-	-	-	-	5,000	5,255	5,512	5,512	5,512		
	Financial Services	4,719,647	2,595,156	3,959,651	4,840,370	4,840,349	4,840,349	4,840,349	6,252,411	6,732,364	7,141,360	7,141,360	7,141,360		
	Fleet Management	746	547	-	1	1	1	1	1	1	1	1	1		
	Information Communication Technology	186,767	197,112	3	-	-	-	-	-	-	-	-	-		
National Outcome 10: Environmental assets and natural resources that well pro protected and continually enhanced	Environmental Resource Management	60,726	68,498	48,352	43,723	43,723	43,723	43,723	67,841	78,332	90,738	90,738	90,738		
	Health and Social Development	633	461	434	1,011	1,011	1,011	1,011	-	-	-	-	-		
	Waste Management	683,233	1,060,070	1,253,812	1,401,207	1,401,207	1,401,207	1,401,207	1,308,185	1,449,979	1,538,786	1,538,786	1,538,786		
National Outcome 12: An efficient, effective and development - oriented public service and an empowered, fair and inclusive citizenship	Executive Office	5,751	4,628	1	52	52	52	52	22	23	24	24	24		
Total Revenue (excluding capital transfers and contributions)	Legislature	16,509,481	16,820,857	20,804,744	23,780,571	23,780,550	23,780,550	23,462,564	26,459,081	28,330,863	30,448,747	30,448,747	30,448,747		

Table 30 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	2013/14 Medium Term Revenue & Expenditure Framework											
		2009/10		2010/11		2011/12		Current Year 2012/13		2013/14		Budget Year	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16			
National Outcome 1: Improved quality of basic education	Human Resource Management and Development	12,843	16,938	20,249	31,460	27,966	21,575				32,979		34,777
National Outcome 2: A long and healthy life for all South Africans	SRAC	88,925	112,147	105,476	114,722	115,021	108,132				121,638		136,374
National Outcome 3: All people in South Africa are and feel safe	Health and Social Development	492,548	566,490	601,161	663,358	664,454	708,736				757,812		865,082
National Outcome 4: Decent Employment through inclusive Economic Growth	Disaster & Emergency Management Support Services	460,398	512,961	507,514	533,885	535,914	704,342				693,802		793,004
National Outcome 5: A skilled and capable workforce to support and inclusive growth path	Ekurhuleni Metropolitan Police Department (EMPD)	640,520	697,917	727,009	804,073	806,554	744,531				964,790		1,097,285
National Outcome 6: An efficient, competitive and responsive economic infrastructure network	Economic Development	37,697	139,029	37,343	48,823	70,809	41,485				102,531		111,777
National Outcome 7: A sustainable and inclusive environment	Human Resource Management and Development	99,866	109,320	82,383	115,813	117,208	96,563				178,251		149,611
National Outcome 8: Sustainable human settlements and improved quality of household life	Energy	5,818,494	6,760,221	9,103,957	10,049,472	10,049,406	9,961,291				10,795,068		12,528,650
	Real Estate	106,996	114,982	108,281	166,747	160,382	123,685				142,689		159,469
	Human Settlements	325,642	452,765	281,479	349,340	398,275	291,854				619,876		515,969
	Roads and Stormwater	1,674,282	1,737,161	1,413,380	1,091,116	1,091,131	961,446				1,144,106		1,205,570
	SRAC	462,119	451,853	(170,402)	417,023	420,388	389,448				464,751		494,566
	Transport Planning & Provisioning	320,603	539,948	592,473	765,130	736,428	696,203				295,012		309,826
	Water and Sanitation	2,534,623	2,866,945	3,580,852	3,547,336	3,696,508	3,429,449				3,642,335		4,328,053
National Outcome 9: A responsible, accountable, effective and efficient local government system	City Manager	2,148,918	2,366,419	1,254,451	1,398,932	1,401,825	1,270,378				341,819		380,210
	Corporate Legal	1,103	1,968	2,223	4,697	4,697	2,198				318,172		374,546
	Council General	(1,596,094)	(1,547,081)	3,357	6,266	6,266	4,446				823,111		898,653
	Financial Services	149,829	159,792	161,938	180,036	181,169	165,140				581,478		747,486
	Fleet Management	81,621	89,689	87,242	103,287	103,412	90,628				19,326		22,426
	Human Resource Management and Development	65,348	70,620	78,218	79,976	79,976	129,684				15,652		16,663
	Information Communication Technology	-	-	-	-	-	-				258,827		288,613
	City Planning	2,772	2,033	231	2,341	2,341	647				231,804		232,467
National Outcome 10: Environmental assets and natural resources that well protected and continually enhanced	Environmental Resource Management	463,434	473,005	514,954	540,753	553,008	586,431				605,169		691,356
	Waste Management	801,192	973,981	980,543	1,120,358	1,121,821	1,023,706				1,293,758		1,517,795
National Outcome 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship	Executive Office	104,810	134,196	53,449	47,130	50,707	47,749				62,825		84,948
	Legislature	88,037	90,495	111,700	183,286	186,121	160,917				174,990		194,583
Total Expenditure		15,396,526	17,893,783	20,239,472	22,365,360	22,581,784	21,760,665	24,633,937	26,482,750	28,319,099			

Table 31 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

EKU Ekurhuleni Metro - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital 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	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
National Outcome 1 - Improved quality of basic education		-	-	-	-	-	-	-	-	-	-	-
National Outcome 2 - A long and healthy life for all South Africans	Health & Social Development	85,197	90,446	87,408	87,950	81,122	73,010	69,010	109,650	148,000	148,000	
National Outcome 3 - All people in South Africa are and feel safe	Disaster & Emergency Management Services	63,886	15,692	7,893	21,400	16,114	14,503	16,400	45,345	56,550	56,550	
National Outcome 3 - All people in South Africa are and feel safe	EMPD	-	8,691	5,274	11,600	11,600	10,440	9,840	17,160	15,640	15,640	
National Outcome 4 - Decent employment through inclusive economic growth	Economic Development	25,060	2,623	32,010	51,550	47,884	43,095	55,650	51,200	60,500	60,500	
National Outcome 4 - Decent employment through inclusive economic growth	Transport Planning and Provision	-	-	-	1,200	10,200	9,180	1,440	1,440	-	-	
National Outcome 5 - as skilled and capable workforce to support an inclusive growth path		-	-	-	-	-	-	-	-	-	-	
National Outcome 6 - An efficient, competitive and responsive economic infrastructure network	City Manager	-	-	-	50,000	13,000	11,700	-	-	-	-	
National Outcome 6 - An efficient, competitive and responsive economic infrastructure network	ICT	-	-	-	1,000	1,000	900	-	-	-	-	
National Outcome 6 - An efficient, competitive and responsive economic infrastructure network	Roads and Stormwater	-	188,301	30,990	53,500	47,350	42,615	58,550	90,400	97,100	97,100	
National Outcome 6 - An efficient, competitive and responsive economic infrastructure network	Water & Sanitation	-	104,821	25,311	215,660	162,899	146,609	270,900	249,300	281,800	281,800	
National Outcome 7 - Vibrant, equitable and sustainable rural communities with food security for all		-	-	-	-	-	-	-	-	-	-	
National Outcome 8 - Sustainable human settlements and improved quality of household life	City Manager	-	-	-	14,382	6,582	5,924	-	-	-	-	
National Outcome 8 - Sustainable human settlements and improved quality of household life	Disaster & Emergency Management Services	-	-	14,557	23,200	13,320	11,988	14,954	10,000	-	-	
National Outcome 8 - Sustainable human settlements and improved quality of household life	Economic Development	-	-	-	-	-	-	10,405	-	-	-	
National Outcome 8 - Sustainable human settlements and improved quality of household life	EMPD	-	-	6,925	8,000	1,800	1,620	9,000	-	-	-	
National Outcome 8 - Sustainable human settlements and improved quality of household life	Energy	380,478	229,719	382,915	389,932	395,307	355,776	333,031	505,000	629,000	629,000	
National Outcome 8 - Sustainable human settlements and improved quality of household life	Environmental Resources Management	-	-	23,073	24,770	24,924	22,432	41,600	46,100	84,500	84,500	

EKU Ekurhuleni Metro - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)										
Strategic Objective	Goal	2009/10	2010/11	2011/12	Current Year 2012/13		Full Year Forecast	2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget		Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
National Outcome 8 - Sustainable human settlements and improved quality of household life	Human Settlements	284,546	127,358	52,934	77,683	74,649	67,184	69,550	120,000	175,000
National Outcome 8 - Sustainable human settlements and improved quality of household life	Real Estate	-	-	-	93,545	94,545	85,091	104,000	106,000	110,000
National Outcome 8 - Sustainable human settlements and improved quality of household life	Roads and Stormwater	575,628	305,972	271,825	513,650	515,050	463,545	572,345	512,150	543,400
National Outcome 8 - Sustainable human settlements and improved quality of household life	SRAC	173,991	81,104	78,988	112,750	92,802	83,522	151,200	68,500	60,911
National Outcome 8 - Sustainable human settlements and improved quality of household life	Transport Planning and Provision	-	-	64,438	74,500	73,092	65,783	352,642	335,301	312,448
National Outcome 8 - Sustainable human settlements and improved quality of household life	Waste Management	-	-	7,074	2,700	2,700	2,430	25,000	30,000	4,000
National Outcome 8 - Sustainable human settlements and improved quality of household life	Water & Sanitation	92,272	81,602	356,219	186,440	237,325	213,593	139,200	173,817	97,500
National Outcome 9 - A responsive, accountable, effective and efficient local government system	City Manager	30,151	46,773	43,081	54,555	28,455	25,610	77,594	75,298	117,445
National Outcome 9 - A responsive, accountable, effective and efficient local government system	City Planning	638	885	1,216	5,760	5,760	5,184	3,800	4,100	4,400
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Corporate & Legal Services	6,376	2,590	5,233	5,945	5,945	5,351	5,033	4,940	4,955
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Disaster & Emergency Management Services	-	25,477	28,406	32,944	75,685	68,116	37,513	33,950	40,230
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Economic Development	-	30,834	1,870	4,488	4,488	4,039	2,465	1,370	1,740
National Outcome 9 - A responsive, accountable, effective and efficient local government system	EMPD	-	5,669	15,076	19,100	39,100	35,190	32,295	37,990	40,395
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Energy	-	128,238	5,486	8,743	4,868	4,381	20,720	21,150	21,760
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Environmental Resources Management	-	10,047	12,472	27,975	30,763	27,687	35,860	33,920	58,545
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Executive Office	20,329	7,943	499	1,043	1,043	939	4,163	2,663	7,213
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Finance	3,898	14,628	75,777	20,405	19,105	17,195	13,490	12,040	6,740
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Fleet Management	206	1,646	2,854	22,200	16,082	14,473	21,550	10,435	25,005
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Health & Social Development	-	29,116	28,831	27,408	28,043	25,239	22,400	19,550	15,800

EKU Ekurhuleni Metro - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital 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	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												
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Human Resources Management & Development	53	617	345	450	580	522	540	592	910		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Human Settlements	-	62,205	725	1,150	1,150	1,035	980	980	1,080		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	ICT	18,561	62,048	139,431	175,590	148,265	133,439	153,090	141,508	49,100		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Legislature Office	1,854	2,458	2,442	9,800	9,800	8,820	7,300	3,800	3,300		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Real Estate	-	-	8,789	24,580	19,147	17,232	74,460	32,280	47,010		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Roads and Stormwater	-	1,455	14,183	14,750	18,900	17,010	17,200	22,200	44,400		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	SRAC	-	9,885	4,201	22,000	22,302	20,072	16,350	22,900	23,000		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Transport Planning and Provision	-	-	5,733	10,310	5,810	5,229	19,552	35,252	4,600		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Waste Management	-	93,913	52,161	71,200	71,200	64,080	44,332	49,917	39,800		
National Outcome 9 - A responsive, accountable, effective and efficient local government system	Water & Sanitation	-	12,647	39,109	7,900	7,900	7,110	8,600	8,600	10,550		
National Outcome 10 - Environmental assets and natural resources that are well protected and continually enhanced	Environmental Resources Management	89,859	99,308	6,379	7,600	7,250	6,525	6,228	11,000	4,500		
National Outcome 10 - Environmental assets and natural resources that are well protected and continually enhanced	Waste Management	84,309	41,342	58,881	59,500	62,833	56,550	50,700	62,000	120,000		
National Outcome 11 - Create a better South Africa and contribute to a better and safer Africa and World		-	-	-	-	-	-	-	-	-		
National Outcome 12 - An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship		-	-	-	-	-	-	-	-	-		
Total Capital Expenditure		1,937,292	1,926,053	2,001,014	2,650,708	2,557,739	2,301,965	2,980,933	3,119,799	3,368,826		

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Metro has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee’s performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year’s performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

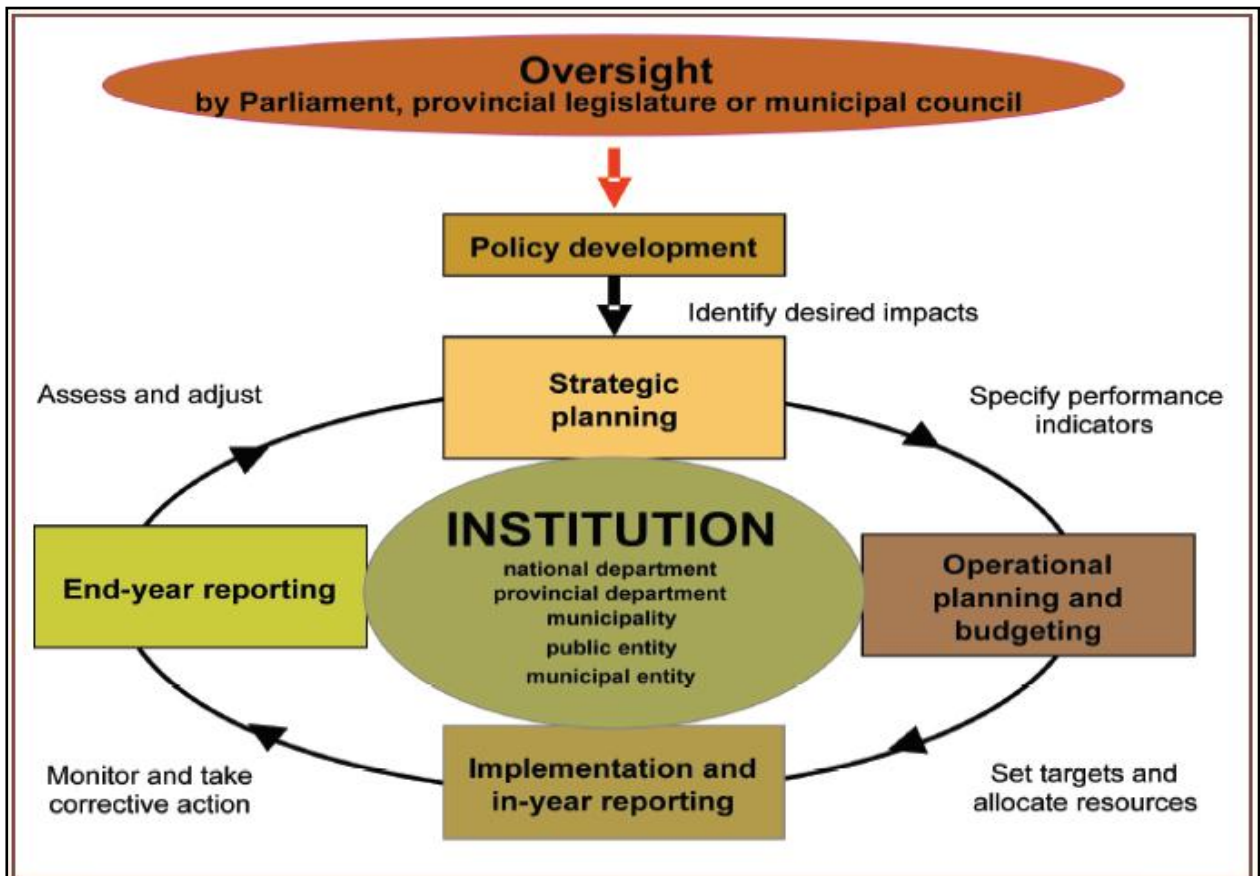


Figure 5 Planning, budgeting and reporting cycle

The performance of the Metro relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Metro therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Metro in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

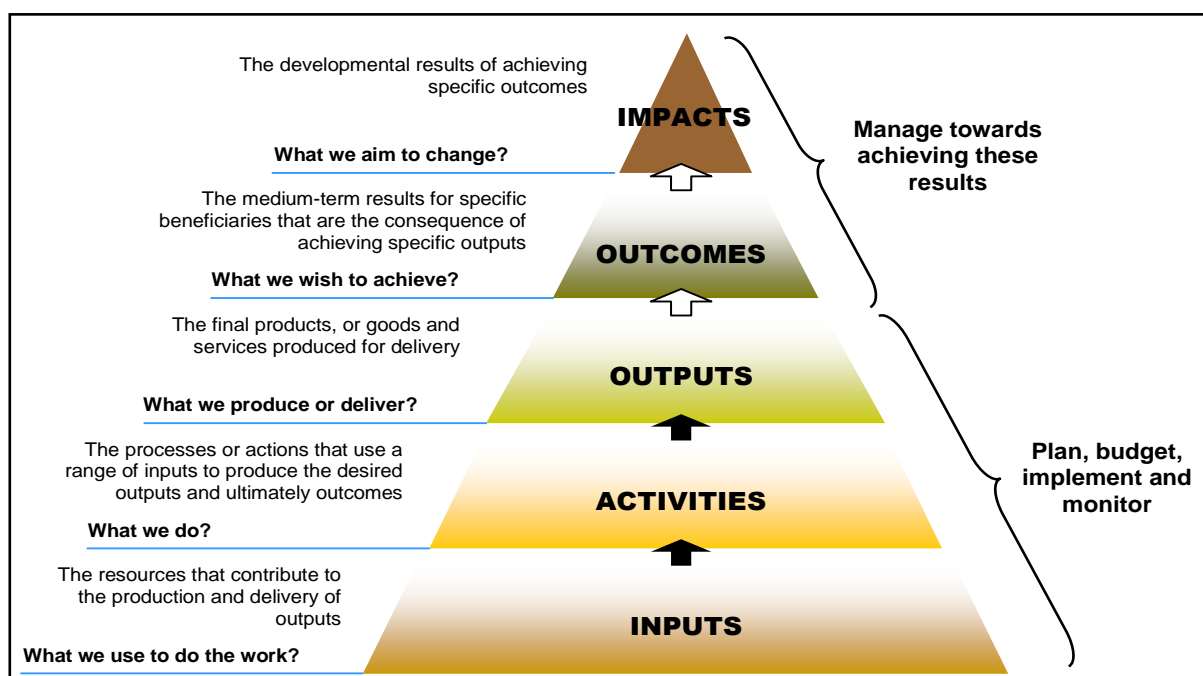


Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 32 MBRR Table SA7 - Measurable performance objectives

EKU Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	2009/10 Audited Outcome	2010/11 Audited Outcome	2011/12 Audited Outcome	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Function 1 - Communication and Marketing										
Sub-function 1 - Communication										
Level of awareness amongst targeted communities across EMM	Level				20%	20%	20%	10%	12%	10%
Level of awareness amongst targeted communities across EMM	Level				0%	0%	0%	9%	10%	10%
Marketing Coverage with respect to aerotropolis concept	Percentage				15%	15%	15%	8%	10%	10%
% of messages accepted					60%	60%	60%	70%	73%	79%
Sub-function 2 - Marketing										
Utilisation level of electronic marketing platforms by the internal and external stakeholders	Percentage				5%	5%	5%	28%	6%	8%
Level of compliance with the EMM brand	Percentage				5%	5%	5%	10%	11%	13%
Function 2 - Institutional Strategy, M & E and Research:										
Sub-function 1 - Strategic Planning										
Number of departments that were supported are meeting the strategic planning requirements	Number							27	27	27
Number of departments utilising the metro-wide planning systems	Number				27	27	27	27	27	27
Number of departments complying the metro-wide reporting systems	Number				27	27	27	27	27	27
Sub-function 2 - Monitoring and Evaluation										
Number of departments meeting the metro-wide performance reporting standards	Number				27	27	27	27	27	27
Number of evaluations undertaken with respect to the GDS programmes	Number							3		1
CCA, Household, Business satisfaction survey's completed	Number				3	3	3	3	3	3
Number of GDS interventions monitored	Number				0	0	0	10	20	40
Number of frontline service delivery monitoring initiatives undertaken with the aim of producing information which leads to improvements	Number							5		
Number of departments receiving technical and data support in performance monitoring	Number							27	27	27
Number of analytical monitoring reports indicating progress against the IDP/SDBIP targets that are submitted to Committees and Council	Number				4	4	4	4	4	4
Number of research studies undertaken	Number				3	3	3	3	3	3
Number of scenario planning models developed	Number							1	1	
Function 3 - Internal Audit										
Sub-function 1 -										
Clean audit report received by target date	Clean Audit				Unqualified audit report	Unqualified audit report	Unqualified audit report	Clean Audit		
Level of risk maturity	Level				5	5	5	5	5	5
% of departments with completed Audit reports produced in accordance with the approved audit plan	Success rate				100%	100%	100%	100%	100%	100%
% of cases investigated and finalised with clear recommendation	Percentage				100%	100%	100%	100%	100%	100%
Function 4 - Risk Management										
Sub-function 1 -										
Number of EMM governance structures evaluated for effectiveness	Number				12	12	12	32	25	25
Number of departments' business processes and operational policies reviewed and enhanced	Number				5	5	5	5	5	5
Number of Business continuity plans finalized	Number				5	5	5	5	5	5
Number of departments trained on disaster recovery and business continuity	Number				4	4	4	5	5	5
Risk management maturity rating of EMM based on the National Treasury model	Level				5	5	5	5	5	5
% Implementation of the Compliance Framework	Percentage				40%	40%	40%	5%	70%	80%
Function 5 - Executive Secretary										
Sub-function 1 -										
% of reports adhering to cabinet brief format	Percentage				100%	100%	100%	100%	100%	100%
% deviation from set calendar	Percentage							< 20%	< 15%	< 10%
Working days within which draft minutes are circulated	Days							3	3	2
Vote 3 - Financial Services										
Function 6 - Finance										
Sub-function 1 - Finance and Budget										
Rand amount of Municipal Bonds Issued	Rand amount				R785m	R800 m	R800 m	R 1 b	R 1 b	R 1 b
Improved Financial Viability and Sustainability of the Ekurhuleni Metro	Credit Rating				AA3za	AA3za	AA3za	AA3za	AA3za	AA3za
Improved Liquidity Position	Days				31	50	50	50	60	70
Optimization of Collections	Percentage				93%	93%	93%	93%	94%	94%

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Eku Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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
% of revenue measured in real terms (only assessment rates and user charges for services)	Percentage				5%	5%	5%	5%	5%	5%
% of other revenue measured in real terms (other than assessment rates and user charges for services and government grants)	Percentage				5%	5%	5%	5%	5%	5%
Cost management strategy and system	Percentage							6%		
Attainment of Unqualified Audit Report	Unqualified Report				Unqualified	Unqualified	Unqualified	Unqualified Audit	Unqualified Audit	Unqualified Audit
Increased Supply Chain Management Efficiencies	Turn-around time				12% within 16/ 18 weeks	12% within 16/ 18 weeks	12% within 16/ 18 weeks	80% within 16/ 18 weeks	80% within 16/ 18 weeks	80% within 16/ 18 weeks
Sub-function 2 - Fleet										
Number of Priorities contained in the Fleet Plan implemented	Number				0	0	0	N/A	Workshop's evaluation	Finalised Replacement plan
% of Vehicles utilised, tracked and reported on	Percentage				100%	100%	100%	100% (2500 vehicles were targeted and tracked)	100%	100%
% of Vehicles monitored through the Fuel management system	Percentage				0	0	0	0%	100%	100%
Sub-function 3 - Real Estate										
Number of jobs created	Number				584	584	584	1063	To be determined by EPWP	To be determined by EPWP
Segment the property portfolio and develop a strategy with implementation plan for the different segments of the property portfolio by target date	Number				N/A	N/A	N/A	conclude one segment of the property portfolio	obtain council approval	obtain council approval
Revenue generated through management of property transactions	Percentage							5%	5%	5%
Reduce number of square meters leased annually	Percentage							5%	5%	5%
% Repairs and maintenance budget spend	Percentage							95%	95%	95%
% capital budget spend	Percentage							95%	95%	95%
Annual report on land procurement transactions	Number							1	1	1
Vote 4 - Corporate and Legal										
Function 7										
Sub-function 1 - Corporate and Legal										
% compliance with EMM legal	Percentage				100%	100%	100%	100%	100%	100%
Turn-around time in responding to departments on legal issues	Percentage				100%	100%	100%	100%	100%	100%
Number of departments in compliance with legislation throughout EMM and its Entities	Number				4	4	4	8	12	16
EMM legal maturity rating with respect to the compliance framework	Rating				0%	0%	0%	20%	40%	60%
Turn-around time in vetting and drafting contracts	Turn-around time				100%	100%	100%	100%	100%	100%
% of original documentation for contracts archived by corporate and legal department	Percentage				70%	70%	70%	90%	100%	100%
% of registry offices in compliance with the requirements set out by National Archives Regulations	Percentage				50%	50%	50%	70%	80%	90%
% of registry offices receiving unqualified audits	Percentage				50%	50%	50%	60%	70%	80%
% of departmental HR plan activities implemented	Percentage				75%	75%	75%	75%	85%	85%
% Capex spend	Percentage				33%	33%	33%	33%	95%	95%
% opex spend	Percentage				90%	90%	90%	90%	90%	90%
Compliance with Departmental Risk mitigation plan	Percentage				100%	100%	100%	100%	100%	100%
Business case for the municipal court system finalized by target date	Date								Jun-14	
Vote 5 - Human Resource Management and Development										
Function 1 - Improved Human Resources Management										
Sub-function 1 - HRM										
Number of policies implemented	Number				0	0	0	5	5	5
Business case for local government institute established by target date	Date				0	0	0	Jun-14		
Number of formal interactions/engagements taking place per targeted departments	Number				3	3	3	4	4	4
Number of wellness programmes implemented	Number				0	0	0	1	1	1
levels that are performance managed Identified	Level							2	2	3
% of identified employees meeting minimum competency requirements	Percentage				60%	60%	60%	80%	90%	90%
Number of employees trained on scarce and critical skills	Number				350	350	350	400	450	550
Number of advocacy programmes implemented	Number				0	0	0	2	1	1
Number of Partnerships established	Number				0	0	0	1	1	1
Levels that are performance managed	Level				1	1	1	1	1	1
% reduction in vacancy rate	Percentage				30%	30%	30%	2%	2%	2%

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

EKU Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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
Vote 6 - ICT										
Function 1 -										
Sub-function 1 -										
Number of links of the fiber installed within the metro	Number							5	5	5
Number of radio equipment installed	Number							30	50	50
Number of Wi-Fi Hotspots operational	Number							5	10	15
Number of Learnerships on IT Fundamentals	Number							10	10	10
Number Internships for Ekurhuleni youth	Number							10	10	10
Number of Users created on the CRM system	Number							200	200	250
Number of mobile devices deployed	Number							50	200	250
Number of Siyafunda Centers with access to Internet and municipal services	Number							4	4	4
Number of databases consolidated	Number							20	20	20
Number of business processes re-engineered	Number							20	20	20
Number of Agreements concluded	Number							3	3	3
Number of Audit Findings resolved	Number							40	40	40
Number of approved acquisitions by Enterprise Architecture Review Committee	Number							10	10	10
Number of ITIL and COBIT processes adopted	Number							5	5	5
Vote 7 -Health and Social Development										
Function 1 - Health										
Sub-function 1 -										
Number of health facilities with a national core standard rating above 50%	Number							20	25	30
Number of newly constructed facilities functional	Number							5	3	1
Number of points serviced through mobile health services in informal settlements	Number							15	16	17
Number of visits by clients to Primary Health Care Facilities in Ekurhuleni Metropolitan Municipality	Number				4983019	4983019	4983019	5100000	5200000	5300000
Percentage of Tuberculosis patients who defaulted on Tuberculosis Treatment	Percentage				Less than 5% National Target	Less than 5% National Target	Less than 5% National Target	Less than 5% National Target	Less than 5% National Target	Less than 5% National Target
Percentage of pregnant women tested HIV +ve	Percentage				30%	30%	30%	27%	27%	27%
Percentage of babies tested HIV-positive (PCR) at six (6) weeks	Percentage				2.7%	2.7%	2.7%	2.6%	2.5%	2.4%
% of Clients who tested positive for HIV	Percentage				24.0%	22.7%	22.6%	23%	22.9%	22.0%
Tuberculosis Smear Conversion Rate (2 months or 3 months)	Rate				88%	88%	88%	80% National Target	80% National Target	80% National Target
Total number of patients initiated on Antiretroviral Therapy	Number				45700	45700	45700	35000	34000	33000
Immunization coverage under 1 year	Percentage				100%	100%	100%	95% National Target	95% National Target	95% National Target
Function 2 - Social Development										
Sub-function 1 -										
% of facilities with an accredited ECD programmes	Percentage				New element	New element	New element	25%	30%	40%
Number of ECD practitioner trained in various courses	Number				347	347	347	420	430	440
Number of income generation programmes presented	Number				40	40	40	40	50	60
Number of 15-35 year olds reached with behavior change programmes	Number				2000			2000	2500	3000
Number of 7-14 year olds reached with behavior change programmes	Number				11000	11000	11000	11000	11500	12300
Number of gender based awareness interventions implemented	Number				7	7	7	7	8	9
Number of older persons (60 years and above) participating in active ageing	Number				5000	5000	5000	5000	5500	6000
Number of Service Level Agreements finalized	Number							1	1	1
Number of new indigent households qualifying for EMM social package	Number							14000	15000	16000
Function 3 - Environmental Health										
Sub-function 1 -										
Percentage of funeral undertakers that are compliant minimum health standards	Percentage							93%	94%	95%
Percentage of formal food premises issued with certificates of Acceptability (COA'S)	Percentage				63%	63%	63%	65%	67%	69%
Number of informal food premises issued with certificates of Acceptability (COA'S)	Number				2051	2051	2051	2100	2150	2200
% of environmental pollution complaints resolved	Percentage				50%	50%	50%	60%	70%	80%
Percentage of premises with rodent infestation	Percentage							50%	40%	30%

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Eku Kurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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
Vote 8 - Infrastructure										
Function 1 - Roads and Stormwater										
Sub-function 1 -										
Km of newly constructed strategic roads	Km							1	1	1
Number of intersections upgraded on strategic roads	Number							6	6	6
Number of stormwater attenuation facilities constructed	Number							1 every two years		1
KM of tar roads constructed	Km							44	42	42
KM of Stormwater infrastructure provided	Km							25	25	25
KM of roads maintained across informal settlements	Km							10	10	10
KM of pedestrian walkways constructed	Km							20	20	20
Number of wards with newly constructed pedestrian walkways	Number							20	20	20
KM of roads where congestion is abated	Km							20	20	20
% of intersections with LED lights installed	Percentage							70%	75%	80%
Km of natural watercourses upgraded and protected	Km							1	1	1
KM of strategic road network maintained	Km							20	20	20
KM of tar road maintained	Km							180	180	180
KM of Stormwater infrastructure maintained	Km							150	150	150
Function 2- Transport										
Number of new bus routes established between Ekurhuleni, Tshwane and Johannesburg	Number							1	1	TBC
Integration of the Johannesburg BRT Phase 1C with EMM IRPTN Phase 1. Completed by target date	Phase							0	0	0
Number of Intermodal facilities constructed.	Number							1-Germiston	1	0
Phase 1 of BRT Infrastructure completed by target date	Date							6/1/2014		
Number of kms completed	km								14km	37km
Level of operationalization of Phase 1 A & B of the IRPTN (via the ORTIA)	Phases operationalised								Phase 1A & B operational.	Phase 1C operational.
Freight Strategy completed by target date	Date				80%	80%	80%	100%		
Aviation Strategy completed by target date	Percentage				80%	80%	80%	100%		
Kms of pedestrian and cyclist paths constructed	Km							10kms	10kms	10kms
Kms of BRT infrastructure implemented.	Km				0	0	0	0	14kms	37kms
Number of Public Transport Facilities constructed.	Number				1	1	1	1	300%	0%
Number of lay-bys and bus shelters implemented in EMM.	Number				0	0	0	5		
Number of new bus routes and extension of existing routes introduced.	Number				2	2	2	1	1	1
Fully constructed Licensing Hub in Kaitshong by target date	Date				0	0	0		6/1/2015	
Fully constructed Licensing Hub in Tembisa by target date	Date				0	0	0		6/1/2016	
Level of operationalization of Phase 1 A & B of the IRPTN	Phase									
Number of new bus routes established	Number				0	0	0	0	14kms	37kms
Number of exiting routes extended	Number				2	2	2	1	1	1
Number of schools where licensing outreach programme has been implemented	Number				55	55	55	60	60	60
Number of licensing centers with functional monitoring committees	Number							1 pilot	2	2
Number of inter-governmental structures related to transport	Number				2(RSC &IPC)	2(RSC &IPC)	2(RSC &IPC)	Q 1 2013		
Development of Anti Fraud and Corruption Strategy by target date	Date				0	0	0	Q 1 2013		
Rand value of revenue generated from licensing	Rand value				R232 164 417.17	R232 164 417.18	R232 164 417.19	R264 600 000	R264 600 001	R277 830 000
Function 5 - Water and Sanitation										
Number of Households with access to water and sanitation	Number				7827	7827	7827	1138	3660	2470
Number of informal settlements with access to water services in accordance with RDP standards.	Number				119	119	119	119	119	119
Number of prioritised informal settlements with access to alternative sanitation solutions	Number				6	6	6	16	20	26
Number of water network zones upgraded	Number				0	0	0	1	3	3
Number of sewer network drainage zones upgraded	Number				0	0	0	0	1	2
Number of job opportunities created in persondays	Number				2500	2500	2500	3200	4300	4500
Amendment of water and sanitation by-laws by target date	Date									Jun-16

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

EkuKuhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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
% conversion of Sewerage sludge to sellable / beneficial products (ERWAT)	Percentage							TBD	TBD	TBD
Number of trainees completing learnership	Number				127	127	127	120	120	120
Number of institutions(e.g schools) participating in water and sanitation programmes where it has been initiated by EMM	Number							10	15	15
Percentage response to all petitions received	Percentage				100%	100%	100%	100%	100%	100%
Percentage of unplanned interruptions resolved within 48 hours	Percentage				95%	95%	95%	93%	96%	97%
Percentage of blockages resolved within 48 hours	Percentage				95%	95%	95%	93%	96%	97%
Percentage of Non-Revenue Water (NRW)	Percentage				39.7%	39.7%	39.7%	38.3%	36.6%	34.4%
Number of informal settlements in respect of bulk meters installed	Number				40	40	40	79	0	0
Number of unmetered stands provided with meters	Number				0	0	0	24000	21000	21000
Number of meters replaced	Number				40,000	40,000	40,000	50,000	60,000	60,000
% of maintenance budget spent	Percentage				95%	95%	95%	95%	95%	95%
% of capital budget spent	Percentage				95%	95%	95%	95%	95%	95%
Blue Drop score (min 95%)	Percentage				99%	99%	99%	>95%	>95%	>95%
Microbiological health compliance (>99%)	Percentage				100%	100%	100%	>99%	>99%	>99%
Chemical health compliance (>95%)	Percentage				99%	99%	99%	>95%	>95%	>95%
Vote 9 - Human Settlements										
Function 1 - Human Settlements										
Sub-function 1 -										
Ha Land procured	Hectars							95	18	75
No of units developed	Number							1,100	2,000	4,000
Percentage of approved building plans that comply with green-building guidelines in the latest National Building Regulations	Percentage								10%	30%
Reviewed EMM Sustainable Human Settlements Plan (SHSP) by target date	Date				6/1/2014	6/2/2014	6/3/2014	6/1/2015	6/2/2016	6/3/2017
Comprehensive and integrated housing demand database								Complete demand database	operational demand database	operational demand database
Number of formally approved Urban redevelopment plans	Number							3	3	0
Number of informal settlements provided with minimum basic services in terms of the Informal Settlements Management Plan	Number				119	119	119	119	119	119
ha of well located land identified	Hectars				500	501	502	200	200	200
No of units developed (Rental & Higher Density)	Number				New Target	New Target	New Target	0	0	0
Number of jobs created (Opportunities)	Number							6600	12000	24000
Number of smaller contractors registered with CIDB	Number							0	5	10
Number of Community Outreach engagements	Number				12	12	12	12	12	12
Number of community structures established	Number							26	40	54
Number of formal joint meetings between EMM, provincial and national Human Settlements Departments	Number							4	4	4
Vote 10 - SRAC										
Function 1 - Sport and Recreation										
Sub-function 1 -										
Number of Sport and Recreation facilities developed	Number								1	1
Number of Sport and Recreation facilities maintained	Number				246	246	246	246	25-	254
Number of Sport and Recreation Facilities upgraded	Number				6	6	6	50	36	31
Number of Sport and Recreation services provided	Number				2	2	2	3	3	3
Number of partnerships with Sport and Recreation stakeholders developed	Number				1	1	1	3	3	3
Number of unemployed youth and adults capacitated in Specialized Information Services	Number							100	100	150
Number of learners participating in school sport programmes in partnership with the Metro	Number				1000	1000	1000	3000	3500	4000
Number of children focused sport and recreation programmes implemented	Number				2	2	2	2	2	3
Number of partnerships with Sport and Recreation stakeholders developed	Number				1	1	1	2	2	2
Function 2 - Arts and Culture										
Sub-function 1 -										
Number of Arts, Culture and Heritage facilities developed	Number				6	6	6	6	8	9
Number of Arts, Culture and Heritage facilities maintained	Number				5	5	5	6	7	8
Number of Arts, Culture and Heritage Facilities upgraded	Number				3	3	3	1	1	1

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

EkuKuhuleni Metro - Supporting Table SA7 Measureable performance objectives										
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		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
Number of Arts, Culture and Heritage services provided	Number				73	73	73	77	80	110
Number of partnerships with Arts, Culture and Heritage Services take holders developed	Number							2	1	1
Number of partnerships established on programme implementation in all communities	Number							50	50	55
Number of children focused, arts and culture programmes implemented(arts calculated per classes)	Number							930	1200	1500
Number of partnerships with Arts, Culture and Heritage Services take holders developed	Number				1	1	1	2	1	1
Function32 - Libraries										
Sub-function 1 -										
Number of library facilities developed	Number									2
Number of Library and Information facilities maintained	Number				43	43	43	44	45	45
Number of Library and Information Facilities upgraded	Number							2	1	2
Number of libraries services provided	Number							2	2	1
Number of learners participating in school library programmes	Number							1000	1000	1600
Number of partnerships with Libraries and Information Services stakeholders developed	Number									
Number of streets and facilities named and re-named	Number				7	7	7	6	8	10
heritage sites, buildings and objects identified and nominated for grading and declaration	Number							2	2	2
Number of children focused library services and programmes implemented	Number							1500	1500	1700
Number of partnerships with Libraries and Information Services Stakeholders developed	Number							2	2	1
Function32 - Heritage										
Sub-function 1 -										
Number of streets and facilities named and re-named	Number				7	7	7	6	8	10
heritage sites, buildings and objects identified and nominated for grading and declaration	Number							2	2	2
Vote 11 - Disaster Management & Emergency										
Function 1 - Disaster Management & Emergency										
Sub-function 1 -										
Number by which Fire incidents reported in informal settlements is reduced	Number				38	38	38	52	58	58
Number of community members deployed as part of Community Emergency Response Teams (CERT) Programme	Number				100	100	100	120	120	120
Approved Financial Model for Disaster Management by target date.	Date				0	0	0	6/14/2013	0	0
% of municipal departments/entities having disaster management Plans	Percentage				10%	10%	10%	30%	50%	75%
Number of Operational Ambulances on 24/7	Number				30	30	30	50	60	70
Number of pre-disaster risk and emergency reduction measures implemented	Number				3000	3000	3000	3000	3000	3000
% compliance with the prescribed South African National Standard 10090 (speed of response)	Percentage				81%	81%	81%	82%	83%	84%
% implementation of the Incident Management System	Percentage				0	0	0	100%	100%	100%
Number of Disaster & Emergency Management Services facilities established	Number				1	1	1	2	2	2
Number of Reserve Force members recruited	Number				0	0	0	200	200	200
Number of fire hydrants maintained	Number				0	0	0	37500	50000	50000
Number of fully equipped specialized emergency vehicles replaced	Number				9	9	9	9	8	8
Vote 12 - Environmental Resource Management										
Function 1 - Environmental Resource Management										
Sub-function 1 -										
Number of main routes and entrances improved/ maintained	Number				10	10	10	10	10	10
Lifespan of cemeteries in years	Years				11	11	11	11	11	11
Percentage usage of alternative burial methods	Percentage							5%	7%	9%
Percentage increase in customer satisfaction rate	Percentage							30%	50%	75%
Number of leisure facilities developed	Number				3	3	3	5	5	5
Number of leisure facilities upgraded, greened and maintained	Number				960	960	960	960	965	970
Number of air Emission licenses issued	Number				35	35	35	144	179	239
Percentage of compliance with ambient standards on air quality	Percentage				50%	50%	50%	60%	70%	80%
Percentage of carbon emissions reduced	Percentage				0	0	0	5%	10%	15%
Total hectares of land with ecological value formally protected	Hectars				100	100	100	200	200	200

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

EKU Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
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		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
Number of rehabilitation projects completed	Number				2	2	2	4	8	12
Percentage of licensed industries complying with legislation	Percentage				20%	20%	20%	30%	40%	50%
Number of schools participating in environmental education programmes	Number				7	7	7	100	100	100
Number of community based environmental forums established and operational	Number				15	15	15	20	20	20
Number of Service Level Agreements finalized with departments	Number				0	0	0	4	4	4
Function 2 - Waste Management										
Number of constructed of Waste minimization facilities	Number								1	1
Number of public off-loading facilities operationally compliant	Number								0	10
Compliance level of active landfill sites	Percentage				95%	95%	95%	96%	97%	98%
Number of 240l bins rolled-out	Number				76600	76601	76602	29000	48000	48000
% adherence to the weekly waste collection schedule - for residential	Percentage				91%	91%	91%	95%	96%	96%
% adherence to the weekly waste collection schedule - for business	Percentage				91%	91%	91%	95%	96%	98%
%adherence to city cleaning schedule	Percentage				91%	91%	91%	95%	96%	98%
% of new residential developments complying with waste management service plan	Percentage				0%	0%	0%	0%	0%	100%
% of informal settlements receiving a basic service	Percentage				100%	100%	100%	100%	100%	100%
amount of landfill gas flared(Tons CO2 e.g.)	Tons				64139	64139	64139	96000	120000	140000
amount of extracted gas converted to energy	Tons				0%	0%	0%	0%	24000	28000
amount of extracted gas converted to bio-fuel	Tons				0%	0%	0%	0%	0	28000
Number of primary schools reached on waste management programme	Number				0%	0%	0%	0%	80	80
Number of wards reached through waste management program	Number				88	88	88	42	101	101
Turnaround time of clearing of illegal dumping within 7 days from date of reporting	Time				0%	0%	0%		50%	65%
% of recyclable waste reclaimed	Percentage				1%	1%	1%	1%	3%	6%
Turnaround time of clearing of illegal dumping within 7 days from date of reporting	Percentage				0%	0%	0%	0%	5%	65%
Number of new landfill sites constructed	Number				6	6	6			
Vote 13 - Energy										
Function 1 - Energy										
Sub-function 1 -										
Number of solar high mast lights installed	Number							12	12	12
No of PV Solar Lighting Units installed in Informal Settlements	Number							7000	7000	7000
Number of high mast lights installed	Number							72	72	72
Number of street lights installed	Number							570	570	570
Number of subsidized households electrified	Number				10048	10048	10048	5000	5000	5000
Percentage of Maintenance and Refurbishment Budget Spend	Percentage							98%	98%	98%
Percentage Of Capital Budget Spend	Percentage							95%	95%	95%
Reduced electricity downtime - % Compliance to NRS 047 standard	Time				0,8%			0,8%	0,8%	0,8%
Forced interruption index - a lowering value indicates improvement	Index Rating				Index of 15,2 Hours			Index of 15,2 Hours	Index of 15,2 Hours	Index of 15,2 Hours
Number of MegaWatts of energy generated from renewable sources	Number							1MW	2MW	2MW
Number of MegaWatts of energy generated from waste	Number							Document Detailing Process	500KW	500KW
Number of artisans (electrical) capacitated	Number							10	5	5
% Units accounted for in the supply of electricity for the demand metered and large customer segment (which leads to improved revenue)	Percentage				56%	56%	56%	56%	56%	56%
% Units accounted for in the supply of electricity for prepayment metered segment (which leads to improved revenue)	Percentage				8,3%	8,3%	8,3%	10%	10%	11%
% of Capital Budget Spent by financial year end	Percentage							95%	95%	95%
Vote 14 - Strategic Services										
Function 1 - City Planning										
Sub-function 1 - City Planning										
% of developments approved	Percentage				60%	60%	60%	65%	70%	75%
Number of planning initiatives implemented in the nodes and corridors	Number									
Number of RSDFs finalised	Number							5	5	
Review of the MSDF completed by target date	Date									6/1/2016

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

EKU Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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
% of development applications complying with town planning policies and legislation	Percentage				90%	90%	90%	91%	92%	93%
% of Rezoning applications approved	Percentage				90%	90%	90%	91%	92%	93%
% of Township establishment applications approved	Percentage				90%	90%	90%	91%	92%	93%
% completion of the Aerotropolis Planning and Land Use Guidance document, the RSDf for Region A and supporting precinct plans for the Aerotropolis core area.	Percentage				20%	20%	20%	20%	20%	20%
% compliance with Land use law enforcement program and provisions of Town Planning Scheme(s)	Percentage				50%	50%	50%	52%	55%	60%
% compliance with building Control law enforcement program.	Percentage				59%	59%	59%	63%	67%	71%
% compliance with Outdoor advertising law enforcement program.	Percentage				65%	65%	65%	69%	73%	77%
Number of identified and approved land parcels for strategic developments	Number				0	0	0	5	5	5
% of selected areas (re)developed in line with finalised Urban Design Framework	Percentage				60%	60%	60%	65%	70%	75%
Number of Regional SDF's finalised	Number				0	0	0	5	5	0
Function 2 - Economic Development										
Number of strategic land parcels utilized for Industrial and Manufacturing sector	Number							2	2	2
Number of sector cluster programmes implemented in line with the IPAP	Number							1	1	1
Number of people benefiting from the industrial skills programme	Number							500	500	500
Number of township complexes/nodes implementing economic activities	Number							1	1	1
Number of Township Business Hubs developed and operationalise	Number							5	5	5
Number of SMMEs accessing EMM provided business support, financing mechanisms and business linkages	Number							800	1200	1400
Number of industrial companies that produce green products located in EMM	Number							5	5	5
Number of sustainable enterprises including SMMEs cooperatives and emerging farmers	Number							100	100	100
Number of EPWP Vukophile Leaner Contractors appointed	Number							20	20	20
Rand value of Capital Projects Budget allocated to EPWP	Rand value							R50m	R50m	R50m
Number of SMMEs (including cooperatives and emerging farmers) supported through the EMM enterprise development programme.	Number							300	300	300
Number of industrial companies meeting the national resource efficient cleaner production standards	Number							20	20	20
Number of New tenants attracted to the Springs Fresh Produce Market	Number				2	3	4	3	3	3
Number of emerging farmers that apply greening farming methods for food production	Number				T.B.D	T.B.D	T.B.D	20	20	20
Number of economic opportunities created with respect to reuse of waste	Number							15	15	20
Number of companies that have undertaken the productivity improvement programme	Number							25	25	25
Number of Economic sectors implementation resource efficiency and clean production aligned with the DTI programme	Number							20	20	20
Number of macro jobs created- Private sector jobs including informal and public sector jobs	Number							15,000	15,000	15,000
Number of micro jobs- Jobs created through council interventions (Opex and Capex)	Number							10,000	10,000	10,000
Number of strategic partnerships established for Economic Development	Number							4	5	5
Number of strategic partnerships with established brands to develop and promote business tourism in EMM	Number							5	5	5
Rand value realised with respect of foreign and direct investment	Rand value							R6bn	R8bn	R9bn
Rand value of tourism product investment facilitated into EMM	Rand value							R500m	R500m	R500m
Number of tourism products graded and signed	Number							50	50	50
Number of business tourists visiting Ekurhuleni	Number							1,000	1,000	1,000
Number of mega business and leisure tourism activities designed & organized to increase tourism.	Number							5	5	5
Number of tourism products graded and with signage made available	Number							20	20	20
Number of tourism products and routes developed	Number							1	1	1
Number of leisure & business tourism products promoted	Number							18	18	18
Number of PDI Tourism Product owners developed and supported	Number							50	50	50
Vote 14 -										
Function 1 - EMPD										
Number of newly constructed EMPD precinct stations	Number				New target	New target	New target	1		
Number of Social Crime awareness campaigns conducted	Number				36	36	36	36	36	36
Number of By Law awareness campaigns conducted	Number				36	36	36	40	40	40
Number of road-death fatalities recorded	Number				126	126	126	<196	<192	<188
Number of contraventions recorded with respect EMPD By-Laws	Number				600	600	600	1,000	1,000	1,000
Number of functional partnerships for crime prevention established	Number							TBD	TBD	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Eku Ekurhuleni Metro - Supporting Table SA7 Measureable performance objectives										
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		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
Number of police officers successfully completing advanced/specialized training programs	Number				22.5	22.5	22.5	200	200	200
Number of items on the HR Plan completed	Number									
Number of criminals arrested	Number				1,840	1,840	1,840	1000	1000	1000
Number of EMPD crime prevention plans executed	Number				36	36	36	50	50	50
Number of joint crime prevention plans executed	Number				36	36	36	36	36	36
Number of fines issued for traffic violations	Number							300,000	300,000	300,000
Number of By Law awareness campaigns conducted	Number							40	40	40
Number of contraventions recorded with respect EMPD By-laws	Number							1,000	1,000	1,000
Number of threat assessments conducted	Number							24	24	24
Number of Security awareness campaigns conducted	Number							36	36	36
Number of reported security breaches	Number							<392	< 263	< 237
Vote										
CUSTOMER RELATIONSHIP MANAGEMENT										
Number of customers utilizing the CCCs	Number				240,000	240,000	240,000	60,000		
Response time to incoming calls	Time							10 mins		
% of calls dropped	Percentage							20%		
% of dropped calls retrieved	Percentage							50%		
Turn-around time to dispatch queries	Time							3mins		
Turn-around time to respond to the status of complainant	Time							60 mins		
Number of CCCs providing the full customer service package	Number							19		
Number of queries/transactions registered through online services	Number							12,000		
Response time to queries emailed	Time							2 days		
Turn-around time to respond to the status of complainant	Time							2 days		
Number of queries/complaints referred	Number							12,000		
Number of referred queries/complaints resolved	Number							980		
Customer satisfaction rating	Rating									
URBAN MANAGEMENT										
Number of the Integrated By-Law Blitzes	Number				24	24	24	24	24	24
Reach of education and awareness programmes in targeted areas	Number				24	24	24	24	24	24
Number of contraventions identified	Number				Unknown	Unknown	Unknown	2,400	2,400	2,400
% of contraventions reported on in terms of the status	Percentage				2,509	2,509	2,509	2,400	2,400	2,400
Number of reports on the rating of the city against the Urban Sustainability Index	Number				0	0	0	1	1	1
% of city improvement districts finalized within the prescribed timeframes	Percentage							TBD		
Vote										
ENTERPRISE-WIDE PROJECT MANAGEMENT OFFICE										
% utilization of resources for projects annually	Percentage							50%	60%	70%
Level of resource available for projects annually	level							50%	60%	60%
% of projects with real-time information documented on the project management system	Percentage							70%	70%	100%
% of projects meeting the project management standards set by EPMO	Percentage							70%	80%	100%
% of projects utilising standardize processes, methodologies, project management practices and tools across EMM.	Percentage							70%	80%	100%
% of PMO offices utilising standardize processes, methodologies, project management practices and tools across EMM.	Percentage							70%	80%	100%
Number of projects successfully incubated (will be based on agreed projects with Management)	Number							60%	80%	80%
% capex spend	Percentage							90%	90%	95%
% of projects successfully incubated (will be based on agreed projects with Management)	Percentage							60%	80%	100%
% capex spend	Percentage							90%	90%	95%
% of business cases generating project demand across the EMM	Percentage							50%	70%	80%
% of departmental PMOs participating in training & workshops for strengthened collaboration with EPMO	Percentage							50%	80%	100%
% of departmental PMOs participating in joint management of projects with EPMO	Percentage							60%	80%	100%
% of projects with evaluation demonstrating the value add of the project tangibly	Percentage							50%	80%	100%
% of projects completed within budget	Percentage							60%	80%	100%
% of projects completed	Percentage							60%	80%	100%
1. On time	Percentage							60%	80%	100%
2. Demonstrable quality	Percentage							60%	80%	100%
And so on for the rest of the Votes										
1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))										
2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities										
3. Only include prior year comparative information for individual measures where relevant activity occurred in that year's										

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

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Entity 1 - East Rand Water Company										
Improved Financial Viability and Sustainability of ERWAT	Number							-2	-5	-12
Improved Liquidity Position	Number							-150	-376	-717
Increased Supply Chain Management Efficiencies	Number							21/18 weeks	20/18 weeks	19/17 weeks
Cost containment / Elimination of wastage	Percentage							5%	5%	5%
Increased achievement of Green Drop status for the wastewater treatment works	Number							4	5	7
Improve the effluent quality compliance	percentage							87%	87%	88%
Increased capacity of wastewater treatment works	Number							639	650	688
Increased achievement of Green Drop status for the wastewater treatment works	Number							4	5	7
Entity 2 - Brakpan Bus Company										
Increased revenue generated	Number							30858135	33943949	37338344
Increased passenger occupancy rate per trip	Number							59	62	65
Improved operating efficiencies of the busses	Number							95	97	97
Reduced direct operating costs	Number							40	40	40
Clean audit								No matters of emphasis	No matters of emphasis	No matters of emphasis
Improved organisational functionality and performance	Number							90	90	93
Improved organisational functionality and performance	percentage							90%	90%	95%
Improved human resource management	Number							90	90	95
Improved financial management	Number							90	100	100
Improved customer and stakeholder relationship management	Number							6	6	6
Improved compliance with legislation governing BBC	percentage							100%	100%	100%
Entity 3 - EKURHULENI DEVELOPMENT Company										
Full occupation of existing rental stock	percentage							95%	95%	95%
Full rental collection	percentage							95%	95%	95%
Application of full corporate governance procedures to all transactions								Unqualified audit opinions for all entities	Unqualified audit opinions for all entities	Unqualified audit opinions for all entities
TAX ACT	percentage							100% compliance	100% compliance	100% compliance
And so on for the rest of the Entities										
1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))										
2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s										

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

Table 33 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 Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Borrowing Management										
Credit Rating		Aa2.za	Aa2.za	Aa2.za	Aa3.za	Aa3.za	Aa3.za			
Capital Charges to Operating Expenditure	Interest & Principal Paid/Operating Expenditure	3.2%	4.6%	3.1%	3.4%	3.4%	3.4%	5.1%	4.2%	3.7%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.6%	6.1%	3.9%	3.8%	3.7%	3.7%	5.7%	4.6%	4.1%
Borrowed funding of own capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	56.6%	120.1%	110.7%	64.6%	58.6%	72.2%	60.9%	72.8%	65.2%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3872.0%	6314.4%	2351.2%
Liquidity										
Current Ratio	Current assets/current liabilities	1.1	1.2	1.6	1.2	1.3	1.5	1.5	1.5	1.7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.1	1.2	1.4	1.1	1.2	1.4	1.4	1.4	1.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.4	0.8	0.6	0.6	0.7	0.7	0.8	1.0
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		86.6%	86.8%	89.4%	91.7%	91.7%	93.7%	93.7%	92.7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)	Total Outstanding Debtors to Annual Revenue		65.9%	86.6%	89.4%	91.7%	91.7%	93.7%	93.7%	92.7%
Outstanding Debtors to Revenue	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	17.7%	17.6%	14.6%	12.0%	11.9%	14.6%	11.9%	12.1%	12.3%
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		352.0%	184.0%	94.6%	109.1%	105.7%	94.9%	95.3%	79.8%	68.3%
Other Indicators										
Electricity Distribution Losses (2)	Total Volume Losses (MW)	294.863	1,269,869	1,209,303	1,209,303	1,209,303	1,209,303	1,209,303	1,209,303	1,209,303
	Total Cost of Losses (Rand '000)	101,034	551,989	659,971	747,138	747,138	747,138	821,851	871,660	933,922
Water Distribution Losses (2)	Total Volume Losses (kF)	105,735	98,659	102,874	104,623	104,623	99,392	99,392	101,081	102,800
	Total Cost of Losses (Rand '000)	372,997	24,144	468,331	520,980	520,980	520,980	571,675	626,732	688,480
Employee costs	Employee costs/(Total Revenue - capital revenue)	24.8%	23.4%	21.0%	20.6%	20.0%	18.4%	20.7%	20.6%	20.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	26.0%	24.6%	22.2%	21.9%	21.3%	19.7%	22.0%	21.8%	21.6%
Repairs & Maintenance	RAM/(Total Revenue excluding capital revenue)	9.8%	11.0%	8.9%	8.7%	8.7%	8.4%	8.6%	8.5%	8.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.0%	15.1%	12.7%	8.1%	8.6%	8.3%	8.1%	8.7%	8.2%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	17.7	25.4	30.4	37.8	37.8	37.8	20.4	36.0	40.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	24.6%	22.6%	18.6%	14.9%	14.9%	18.4%	18.4%	14.8%	15.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.6	1.1	2.0	1.8	1.8	2.1	2.1	2.1	2.9
References										
1. Consumer debtors > 12 months old are excluded from current assets										
2. Only include if services provided by the municipality										
Calculation data										
Debtors > 90 days		1,154,447	1,213,760	529,815	444,632	444,632	556,342	489,095	538,005	591,805
Monthly fixed operational expenditure				1,421,486	1,637,749	1,651,199	1,595,634	1,772,276	1,948,929	2,088,945
Fixed operational expenditure % assumption			74.0%	74.0%	74.0%	74.0%	74.0%	74.0%	74.0%	74.0%
Own capex		1,413,324	1,344,492	722,970	1,238,306	1,354,282	1,108,508	1,289,496	1,369,619	1,533,318
Borrowing		800,000	1,615,000	800,000	800,000	800,000	800,000	785,000	997,106	1,000,100

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Ekurhuleni Metropolitan Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Metro's debt portfolio is dominated by municipal bonds. The following financial performance indicators have formed part of the compilation of the 2013/14 MTREF.

- *Borrowing to asset ratio* is a measure of the long-term borrowings (non-current) as a percentage of the total asset base of the municipality. This ratio will increase over the MTREF from 10.1% in 2013/14 to 12.3% in 2015/16, but must not be considered a measure on borrowing capacity in isolation of other ratios and measures.
- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing will move from 3.2% in 2009/10 to 3.7% in 2015/16. The increase can be attributed to the raising of municipal bonds to fund portions of the capital programme. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the affordability of the interest repayments are becoming problematic in the outer years. The Metro has not yet reached its prudential borrowing limits, but the shrinking revenue raising ability (mainly resulting from decreasing margins in the electricity service) makes loan servicing un-affordable. The capital budget is based on the R4 billion Domestic Medium Term Note Programme (or municipal bond) which will last up to the 2013/14 financial year, as well as possible other borrowings during the 2014/15 financial year. These additional loan funding will, however, be subject to affordability once the electricity increases for the outer years are finalised by NERSA.
- *Capital charges to Own Revenue* is a measure of the cost of borrowing in relation to the Own Revenue. It can be seen that the cost of borrowing will move from 3.6% in 2009/10 to 4.1% in 2015/16. This ratio will initially also increase to 5.7% in 2013/14, before it decreases again to the noted 4.1% in 2015/16.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over MTREF is 65.2%.

Long term debt increased from R3.891 billion as at 30 June 2011 to R4.516 billion as at 30 June 2012. This is inter alia as a result of:

- The issuing of the first municipal bond for R815 million on the 28th of July 2010 to fund a portion of the capital infrastructure programme for the 2009/10 financial year as well as a portion of the capital programme for the 2010/11 financial year. The bond was issued for a 10 year period at a fixed interest rate of 10.56%.
- The second EMM bond was issued on the 11th March 2011 at an amount of R800 million. This bond was taken up to finance the remainder of the capital programme for the 2010/11 financial year. The book filled at 185 basis points and the final interest rate was fixed at 10.72%, being the R208 at 8.87% (as at the time of finalising the book build) + 185 basis points.

- The third EMM bond was issued on the 4th of May 2012 at an amount of R800 million. The final interest rate was fixed at 10.05%. A R4 billion Medium Term Domestic Note Programme was registered at the Johannesburg Stock Exchange (of which the R2.415 billion has been issued).
- The fourth EMM bond was issued on the 16th May 2013 at an amount of R800 million and this is the first amortisation bond issued by the Metro. This bond was taken up to finance the remainder of the capital programme for the 2012/13 financial year. The book filled at 180 basis points and the final interest rate was fixed at 9.16%, being the R213 at 7.36% (as at the time of finalising the book build) + 185 basis points. The tenure is fixed at 15 years. No sinking will be established for this bond issuance, the interest and capital repayment will done be semi-annually.
- The total bonds issued to date from the R4 billion DMTN is R3 215 billion and the balance is R785 million.

The long term loans with bullet redemption profiles will be funded from sinking funds. The value of sinking funds as at 30 June 2012 was R456.4 million.

2.3.1.2 Safety of Capital

- *The gearing ratio* is a measure of the long term borrowings (non-current) over funds and reserves. During the 2011/12 financial year the ratio was 11.2% which will increase to 16.0% in the 2015/16 financial year. This ratio is much lower than the benchmark levels, mainly resulting from the implementation of GRAP 17 where found assets were fair valued as part of the first time recognition of certain assets. This transaction credited the accumulated surplus and the equity of the Metro is thus much higher than would have most probably been the case with historical costs. This ratio is therefore not seen as a reliable measure for the affordability of additional loans.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the Metro's ability to pay short-term obligations with its short-term assets. The higher the ratio, the better the Metro's ability to adhere to its short-term obligations. The calculations is the current assets divided by the current liabilities and as a benchmark the Metro has set a limit of 1.2, hence at no point in time should this ratio be less than 1.2. For the 2013/14 MTREF the current ratio is expected to be 1.5, and 1.7 to 1.8 for the two outer years of the MTREF. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the Metro to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the 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. For the 2012/13 financial year the ratio is 0.6 and as part of the financial planning strategy it projected to increase to 0.8 in the 2013/14 financial year and continue its upward trend to 1.1 in 2015/16. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the Metro. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

2.3.1.4 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management and enhancement project has been embarked upon to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The Revenue management and Enhancement Programme are driving projects that cover the following six areas:
 - Metering and billing value chain,
 - Water and electricity losses,
 - Key accounts management unit
 - Indigent management
 - Telephone query management and
 - Data quality
- The programme has identified the following key business themes which serve as strategic objectives that should drive and support revenue management and enhancement programme.
 - Reduction of consumer debt through appropriate credit control and debt collection to improve revenue
 - Improved, Consistent and Accurate /Integrative property value chain
 - Improved Customer Services
 - Monitoring and Evaluation of consumption processes and efficiencies
 - Revenue Collection
- *The annual debtors' collection rate* indicates the % payment levels of the Metro. It indicates at what levels the Metro receives payments owed, in terms of receivables, from its customers. It is also used to establish whether credit control has been efficiently managed. The Metro's payment level %, according to this calculation, in 2011/12 was 86.8% and is expected to be at 92.7% in 2015/16.

2.3.1.5 Creditors Management

- As evident from the *Creditors System Efficiency ratio*, the Metro has managed to ensure that creditors are settled within the legislated 30 days of invoice (with the exception of invoices under dispute and isolated incidents of invoices not being certified for payment within the prescribed timeframes). While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a very high compliance rate to this legislative obligation.

2.3.1.6 Other Indicators

- *The electricity distribution losses*, as per the audit financial statements, have moved from 11.72% (of which non-technical losses were only 5.82%) in the 2010/11 financial year to 11.12% (of which non-technical losses were only 5.22%) in the 2011/12 financial year.

The Energy Department uses the following data to determine the loss:

1. Meter On Line data
2. Suprima and IMS prepayment sales data
3. Take credit meter read data
4. Take usage for street lights/traffic lights
5. The usage for own consumption

It is expected to stabilise over the MTREF. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters. Material losses can be divided in technical and non-technical losses. Technical losses are related to copper, iron and heat losses and are generally between 5% and 7%

and it is in line with the industry norm. These losses cannot be reduced and are inherent in any electricity network. Non-technical losses can be attributed to illegal connections and electricity theft (also bypassed meters, etc.). The Energy Department is in the process of restitution of large areas to repair the electrical network and install protective structures and split prepayment meters to manage and reduce illegal connections and meter tampering. It has been determined that more than 60% of total unit sales are from the demand meter customer segment, business/industry and large residential-townhouse complexes. All these demand meters are placed on automated meter reading to minimise risk as far as possible. Readings are taken at intervals of 30 minutes and accounts issued monthly. In addition, the Cable and Copper Theft Task Team will continue with its activities to curb cable and copper theft. An Energy balance has been created and shows losses are within acceptable norms, although more is being done to reduce these losses. By-law "sting" operations are executed regularly with the EMPD and people tampering with their meters are arrested and taken to court.

- *The water distribution losses*, as per the audit financial statements, have been significantly reduced from 33.07% in 2009/10 to 30.34% in 2011/12. This has been achieved with the introduction of a water leakage report and action centre. The intention is to further rollout additional depots within the Metro to further leverage from the efficiency that the centre offers. It is planned to further reduce the distribution losses % over the MTREF period. It must be recognized that the Metro is managing aged and ageing infrastructure and this has a direct bearing on the amount of water lost. The water losses were due to many factors significant of which were the following:
 - unmetered properties that were not billed,
 - metered areas that were billed on estimates,
 - properties with more than one meter, and
 - infrastructure related water losses.

The department is attending to these areas of concern through a programme dubbed Programme Boloka Metsi. The interventions in this programme include the following projects, namely

- infrastructure replacement and rehabilitation programmes
- metering programme
- Top consumer programme
- Education and awareness/consumer capacitation programme

The objective of this intervention is to significantly reduce both non-revenue water and water losses. It must be mentioned though that the extent to which the non-revenue water is reduced depends on the rate at which migration is affecting the Metro. The Metro has been experiencing growth in the last year mostly from poor people that stay in informal settlements. This increases the amount of free basic water that the Metro supplies to these areas and by extension increases the amount of non-revenue water.

- *Employee costs and Remuneration as a percentage of revenue (excluding capital revenue)* continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers. The averages of the ratios are 20.0% and 21.2% respectively over the MTREF.
- *Repairs and maintenance as a percentage of revenue (excluding capital revenue)* needs to be at an appropriate level in order to ensure that capital assets remain efficient and performs and an optimal level. Similar to that of employee costs, repairs and maintenance as percentage of operating revenue

is also ultimately decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. The average of the ratio is 8.3% over the MTREF.

- *Finance charges and depreciation as a percentage of revenue (excluding capital revenue)* is dependent on borrowing- and interest rate levels as well as on the rate of depreciation of capital assets. The average of the ratio is 8.0% over the MTREF.

2.3.1.7 IDP regulation financial viability indicators

- *Debt Coverage* is the coverage of revenue (excluding operating grants) over debt-service and is an indication of the Metros ability to meet annual interest and principle payments on debt. The coverage is 37.8 in 2012/13 and is expected to move to 40.8 in 2015/16.
- *Outstanding service debtors to revenue ratio* is an indication of what percentage of revenue is in outstanding service debtors. This is also an indicator of the Metros' effectiveness in managing credit control and debt collection. The lower the ratio, the more effective the management of receivables. The ratio is 14.9% in 2012/13 and is expected to move to 15.1% in 2015/16.
- *Cost coverage* is an indication of the Metros ability to cover fixed operational expenditure with its cash and investment balances. The higher the ratio, the higher the ability. The ratio is 1.8 in 2012/13 and is expected to move to 2.9 in 2015/16.

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

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Metro.

For the 2013/14 financial year 50 000 registered indigents have been provided for in the budget with this figured remains flat until the 2015/16 financial year.

In terms of the Municipality's indigent policy registered households are entitled to 9kl free water, 50 kwh of electricity, 9 kl sanitation and free waste removal equivalent to a residential once a week service, as well as a full rebate on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 28 MBRR A10 (Basic Service Delivery Measurement) on page 788.

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

2.3.3 Providing clean water and managing waste water

The Ekurhuleni Metropolitan Municipality is the Water Services Authority for the entire municipal area in terms of the Water Services Act, 1997. Approximately 99% of the municipality's bulk water needs are provided directly

by Rand Water and the remaining 1% is purchased from Johannesburg Water, with its origin also from Rand Water.

Water is distributed to EMM customers via an extensive reticulation system comprising of 91 water reservoirs and towers, 41 pump stations, 9 416 km of pipelines and 437 830 water connections and meters. The estimated replacement value of this water services infrastructure has been assessed to be some R6,2 billion and R1,4 billion for water meters.

According to EMM's asset management plan its water infrastructure assets condition can be rated as follows:

Condition of Assets	Percentage of Assets
Very Good	18%
Good	23%
Fair	55%
Poor	3%
Very Poor	1%

EMM is responsible for providing its citizens with clean safe water which is measured against the South African National Standard for Drinking Water (SANS 241) and also evaluated by the Department of Water Affairs according to their Blue Drop certification programme. The EMM received a Platinum Blue Drop award for obtaining the Blue Drop certification for the third consecutive year and has also been in the top 10 performers since the inception of this programme.

The following is briefly the main challenges facing the city in providing water services:

- High non-revenue water – 38,6%
- Very old water meter infrastructure
- Ageing water distribution infrastructure
- Shortage of skilled technical staff

The following are some of the steps that have been taken to address these challenges:

- Strategic plans have been developed to address the non-revenue water, very old water meter infrastructure and ageing water distribution infrastructure
- These strategic plans are supported through the capital budget – 5 year implementation plan
- The shortage of skilled personal remains a major challenge.

With regards to Sanitation Services the EMM is also the Services Authority for the entire municipal area in terms of the Water Services Act, 1997. EMM has established a Municipal Entity, ERWAT as service provider for the treatment of its waste water. 100% of EMM's waste water is treated by ERWAT.

Waste water is collected by EMM from its customers through a system of 8 082 km of sewer pipelines, 152 sewer pump stations and conveyed to 17 Waste Water Treatment plants managed by ERWAT. The estimated replacement value of these waste water services infrastructure has been assessed to be R5,0 billion and R5.3 billion for waste water treatment plants.

According to EMM's asset management plan its waste water infrastructure assets condition can be rated as follows:

Condition of Assets	Percentage of Assets
Very Good	29%
Good	17%
Fair	51%
Poor	2%
Very Poor	1%

EMM and ERWAT is responsible for the conveyance and treatment of waste water according to national legislation and permit conditions as issued by the Department of Water Affairs. The Department of Water Affairs established an incentive based assessment system in order to evaluate services they provide, namely the Green Drop Certification programme. Municipalities have been evaluated twice since the inception of this programme.

Two green drop awards out of 17 drainage systems were received by EMM and ERWAT with an average score of 65% for all drainage systems during the 2009 assessment. Only one green drop award out of 17 drainage system were made to EMM and ERWAT with an average score of 78,8% for all drainage systems during the 2011 assessment.

The following is briefly the main challenges facing the city in providing sanitation services:

- Ageing waste water collection infrastructure
- Ageing and capacity pressure on ERWAT's waste water treatment plants
- Provision of suitable sanitation systems for informal settlements
- Shortage of skilled technical staff.

The following are some of steps that have been taken to address these challenges:

- Strategic plans have been developed to address the ageing and capacity pressure on EMM and ERWAT systems
- These strategic plans are supported through the capital budget – 5 year implementation plan
- Implementation of pilot projects to establish suitable sanitation systems for informal settlements have been initiated.
- The shortage of skilled personnel remains a major challenge

2.4 Overview of budget related-policies

The City's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The entire set of Budget Related Policies can be viewed on the EMM website: <http://www.ekurhuleni.gov.za>

Medium Term Budget Policy (Refer to Annexure E)

This year, a Medium Term Budget Policy Statement has been developed to guide the compilation of the Integrated Development Plan and Medium Term Revenue and Expenditure Framework.

Pricing Policy (Review of Tariff - Refer to Annexure F)

The City's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. This year, a Pricing Policy Statement has been developed to guide pricing and the provision of free basic services.

This year, a Pricing Policy Statement has been developed to guide pricing and the provision of free basic services.

The objectives of the Pricing Policy are as follows:

- To ensure that pricing of services in the EMM is done in a financially sustainable and socially responsible manner, and in doing so:
 - Determining cost reflective tariffs, as far as is possible
 - Ensuring equitable pricing
 - Ensuring affordability of basic services to the community
- To ensure compliance with the Municipal Systems Act
- To ensure compliance with all tariff setting regulatory bodies

Property Rates Policy (Refer to Annexure G)

The following changes were made to the Property Rates Policy:

Existing	Recommended 2013
Rates Policy	
	5.4 The Council has determined the following ratios relevant to each category to the rate on residential properties for purposes of tariff rating: Addition of Ration Table
8.4(a) be the registered owner of the property;	8.4(a) be the registered owner of property within the following categories of properties : <ul style="list-style-type: none"> • Residential; • Farm properties used for Residential purposes • Small Holding user for Residential purposes
8.5(b) be the registered owner of the property	8.5(b) be the registered owner of property within the following categories of properties : <ul style="list-style-type: none"> • Residential; • Farm properties used for Residential purposes

	<ul style="list-style-type: none"> • Small Holding user for Residential purposes
8.9 The following Public Benefit Organisations/ Non-Governmental Organisations may be exempted from paying rates :	8.9 The following Public Benefit Organisations/ Non-Governmental Organisations may be exempted from paying rates as determined by council from time to time :

Electricity Tariff Policy

Policy remained unchanged

Electricity By-laws

New Electricity By-laws have been compiled that will now be subjected to the public participation process and will be tabled separately to Council for adoption.

Provision of Free Basic Electricity Policy (Refer to Annexure H)

The policy has been changed to provide for the provision of free basic electricity to households subject to a cut-off point of 450 kWh units per month (based on historical consumption levels). In other words, households consuming more than 450kWh per month (on a rolling 6 month average) will no longer qualify for free basic electricity.

Water and Sanitation Tariff Policy

Policy remained unchanged (only implementation date changed to 1 July 2013)

Provision of Free Basic Water and Sanitation

Policy remained unchanged (only implementation date changed to 1 July 2013)

Waste Management Tariff Policy (Refer to Annexure I)

Par 1 - The following definitions were added to the policy:

Formal Service Point - A promulgated stand/erf zoned for residential and or business purposes on which household/domestic or business refuse is generated

Flats - A promulgated stand /Erf or units zoned for residential purposes.

High Density Developments (Town Houses) - Flats, Town Houses, Hostel-Family units, where residents are billed per unit and refuse are removed either per bag, 240liter bins or by means of 1,75 cubic meter mini container. Such bins-bags to be stored in a Centralized Refuse Area pending removal, that comply with requirements as set out in the Municipal Waste Management By Laws Sec 5 (2) (a,b,c,d,e)

Backyard Dwellers Formal Areas - An additional structure with a separate entrance than that of the main house, regardless whether it is connected to the main structure or not, on a promulgated stand/erf zoned for residential, agricultural holdings, and or any other zoning allowing for residential use being a formal stand generating household/domestic waste.

Par 2 - To apply polluter pays principle was added to the objectives of the policy

Par 3 – Application and scope – implementation date was amended to 1 July 2013

Par 5 – Costing Model – zero rating of informal settlements tariff added. In addition, City Cleansing and Environmental Levy provided for

Par 7 – Waste Disposal Sites amended as follows:

- a) All waste from the general public excluding business and industry, under one ton, is accepted at zero rate charge.
- b) Access to the public off-loading facilities at the landfill sites is free of charge.
- c) We have increased the tariffs at the Simmer & Jack landfill site more than at the other landfill sites because we have limited airspace available at this site. (± 5 years which in a life of a landfill site is nothing). We would prefer that site users rather make use of alternative sites.
- d) We have also increased the tariff for site users from outside the borders of the EMM at all EMM landfill sites (special tariff for Lesedi Municipality)
- e) We have increased the tariff for handling of all size tyres at all the landfill sites. The new Waste Tyre Regulation came into effect on 13 February 2009 stipulating that all owners of waste tyre stockpiles must deal with those stockpiles in accordance with an approved integrated industry waste tyre management plan. This will include the registration of the stockpile within 30 days after promulgation of the regulations with the Minister of Environmental Affairs and Tourism. The stockpiles must be dealt with in a specific manner which makes it more expensive for the landfill operator to handle the waste tyres.
- f) Simmer and Jack – builder’s rubble and soil will not be accepted for disposal as from 1 July 2013 because of limited air space
- g) Platkop – no asbestos will be accepted for disposal as from 1 July 2013 , according to the New Waste Act it has to be directed to hazardous landfill site in Rietfontein.
- h) Animal carcasses - in terms of the New Waste Act 59 of 2008 prohibit the disposal of animal

Consumer Deposit Policy (Refer to Annexure J)

The consumer deposit policy has been reviewed in totality.

Indigent Support Policy (Refer to Annexure K)

The following changes were effected:

Existing	Recommended 2013
Indigent Support Policy	
9.1(e) owner of the property is an indigent applicant and municipal value of property does not exceed maximum value as determined by Council's assessment rates tariff policy.	9.1(e) municipal value of property does not exceed maximum value as determined by Council's assessment rates tariff policy.
	9.2(d) applicant rent or sublease his property or part thereof to any 3 rd party during the duration of the grant period
	9.2(e) applicant tampers or illegally connects or reconnects services prior to this application, until such time as the total

Existing	Recommended 2013
Indigent Support Policy	
	costs, penalties, other fees, illegal consumption and any applicable tariffs and rates due to the Council have been paid in full.
	15. Customers found to have tampered, or illegally connects or reconnects services, will be deemed to have committed an offence and remedial measures will be taken in a manner as determined by the Council from time to time, and all relief and / or benefits that have been received will be reversed to account of customer from date of offence and relief suspended or stopped immediately
	16. Right to appeal - An applicant who is the registered household owner living within the municipal jurisdiction and therefore feels aggrieved by a decision taken in respect of his/her application may lodge an appeal in terms of section 62 of the Municipal Systems Act 32 of 2000.

Credit Control and Debt Collection Policy (Refer to Annexure L)

The following changes were effected:

Existing	Recommended 2013
Credit Control Policy	
7.1(a) The Council or duly appointed agent may terminate and / or restrict the supply of water, electricity or pre-paid electricity in terms of the prescribed disconnection procedures, or discontinue any other service to any premises associated with the customer, whenever a consumer of any service -	7.1(a) The Council or duly appointed agent may terminate and / or restrict the supply of water, electricity or in the case of pre-paid electricity withhold the selling of electricity in terms of the prescribed disconnection procedures, or discontinue any other service to any premises associated with the customer, whenever a consumer of any service -

Provision for Doubtful Debtors and Debtors Write-off (Refer to Annexure M)

The basis of calculation for the provision of doubtful debtors will be as follows for 2013/2014:

Category of Debtor	Percentage of Debt regarded as Collectable	Percentage of Debt Provided for as Irrecoverable (i.e. Impairment Percentage)
Credit balances	Zero	Zero
In-active accounts	Zero	100%
Hand-over accounts to panel of debt collectors, legal hand-overs	Zero	100%

Category of Debtor	Percentage of Debt regarded as Collectable	Percentage of Debt Provided for as Irrecoverable (i.e. Impairment Percentage)
and clearance handover (Debt outside Section 118)		
<ul style="list-style-type: none"> Panel of Debt Collectors and legal hand-overs. 	Average payment collection rate in respect of <i>Collection Panel</i> over preceding 12 months	100% less Average payment collection rate in respect of <i>Collection Panel</i> over preceding 12 months
<ul style="list-style-type: none"> Clearance hand-overs (Section 118 of Municipal Systems Act) 	Zero	100%
Approved Indigents	Zero	100%
Pending Indigents	Zero	100%
No payment received during preceding 6 months	Zero	100%
Formal arrangement debt	Monthly instalment debt in respect of 12 months.	100% of balance of account less 12 monthly instalments.
Disconnection of services in excess of 6 times during preceding 12 months	Zero	100%
Debt ageing 1080+ Days (36 Months)	Zero	100%
Debt ageing between 1080 and 180 day's	Average payment collection rate over preceding 12 months	100% less Average payment collection rate over preceding 12 months
Debt ageing less than 180 days	100%	Zero
Housing Rental Debtors		
<ul style="list-style-type: none"> Debt ageing 30 days+ 	Zero	100%
<ul style="list-style-type: none"> Current debt 	100%	Zero

Budget Implementation and Monitoring Policy (Refer to Annexure N)

The following changes are proposed in the policy document:

- Par 1: Application and Scope - effective date changed to 1 July 2013.
- Par 4: Budget Management and Oversight – reference to the Portfolio Committees was removed
- Par 5: Shifting of funds within votes – delegated amounts removed from policy with only reference to the delegated powers as amended by Council from time to time. In addition, references to the Deputy City Manager have been removed. The political process has been updated based on the approved System of Delegations.
- The following principles were added to Par 5:
 - Virements are not be permitted in relation to the revenue side of the budget
 - Virements between votes are permitted where the proposed shifts in funding facilitate sound risk and financial management (e.g. the

- management of central insurance funds and insurance claims from separate votes)
- Virements from the capital budget to the operating budget are not be permitted
- Virements towards personnel expenditure are not be permitted
- Virements to or from the following items should are not permitted
 - bulk purchases
 - debt impairment (i.e. provision for bad debt)
 - interest charges
 - depreciation
 - grants to individuals
 - revenue foregone
 - insurance
 - VAT
- Virements cannot result in adding ‘new’ projects to the Capital Budget;
- Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework are not be permitted.
- Par 6: Introduction of an Adjustments Budget - reference to the Portfolio Committees was removed.
- Par 8: Approval of un-authorized expenditure when the Mayor tables the annual report – definitions of irregular and fruitless and wasteful expenditure was included. In addition, the role of Accounting Office in investigating un-authorized irregular and fruitless and wasteful expenditure were added.

Planning and Approval of Capital Projects

Policy remained unchanged

Asset Accounting Policy

Policy remained unchanged

Municipal Entity Financial Support Policy (Refer to Annexure O)

- Par 1: Application and Scope - effective date changed to 1 July 2013.
- Par 2: Objectives of Policy - aims amended to make provision for the roll-over of grants provided to the municipal entities if unspent at the end of the financial year.
- Par 5: Financial Support – Reference to MIG grant amended to USDG grant. In addition, provision was made for the quarterly reporting on actual amounts spent on the grant as well as the roll-over of the unspent portion at the end of the financial year.

Accounting Policy (Refer to Annexure P)

The following changes were effected:

Additions to the Policy

Policy name	Description of change
Budget information	Newly effective standard
Heritage assets	Newly effective standard

Deletions from the Policy

Policy name	Description of change
Conditional Grants and Receipts	Included under the accounting policy for Revenue from non-exchange transactions, which has changed due to it being a newly effective standard

Changes to the Policy

Policy name	Description of change
Financial Instruments	Newly effective standard
Impairment of cash-generating assets	Newly effective standard
Impairment of non-cash-generating assets	Newly effective standard
Revenue from non-exchange transactions	Newly effective standard
Comparative figures	Newly effective standard required amendment to this policy
Related parties	Changes required
Internal Reserves	Capital Replacement Reserve added

Funding and Reserves Policy (Refer to Annexure Q)

Changes made to the Funding and Reserves policy to ensure alignment with the new Budget Policy Statement. The following specific changes were made:

- Par 1: Application and Scope - effective date changed to 1 July 2013.
- Par 2: Objectives of Policy – included additional aim as follows: To establish a Capital Replacement Reserve to adequately provide for the renewals of assets when it reaches the end of its economic life.
- Par 7: Reserves – included Capital Replacement Reserve

Borrowing Policy (Refer to Annexure R)

Changes made to the borrowing policy to ensure alignment with the new Budget Policy Statement. The following specific changes were made:

- Par 1: Application and Scope - effective date changed to 1 July 2013.
- Par 2: Objectives of Policy - aims amended to include capital budget of R3b and not R2b as previously. In addition, the credit rating was specified as AA3za as per Moody's Investor Services Rating Scale and not only AA as previously.
- Par 6: Form of Borrowings - Project finance from registered South African banks and/or other financial institutions have been added to the list of allowable borrowings.
- Par 7: Extent of Borrowing – the Forecast model section was amended to provide for the annual determination of assumptions for the forecast model depending on the economic climate.

Cash Management Policy (Refer to Annexure S)

- Par 1: Application and Scope - effective date changed to 1 July 2013.
- Par 2: Objectives of Policy - the credit rating was specified as AA3za as per Moody's Investor Services Rating Scale and not only AA2za as previously.
- Par 4: Determination of Minimum Cash Level to Retain – provision for Capital Replacement Reserve was added.

Investment Policy

Policy remained unchanged

Long Term Funding Policy

Policy remained unchanged

Developer Contributions for property development – Energy

Policy remained unchanged (only contribution amount changes in accordance with the relevant CPI/PPI indexes)

Developer Contributions for property development – Roads and STORM WATER

Policy remained unchanged (only contribution amount changes in accordance with the relevant CPI/PPI indexes)

Developer Contributions for property development – Water and Sanitation

Policy remained unchanged (only contribution amount changes in accordance with the relevant CPI/PPI indexes)

Electricity Metering For Residential and Small Business (Refer to Annexure T)

The following changes were made:

Par 2: Definition of low end user - The typical monthly consumption value is, on average, less than 450 kWh units.

Par 5.1: Metering in existing areas with collection rates of 90% and higher – par 5.1.2 (b) (iii) was added as follows: “as part of larger projects, at the discretion of the Head of Department: Energy, at the cost of Ekurhuleni (and subject to available funding)”

Par 5.2: Metering in existing areas with collection rates of lower than 90% – par 5.2.2 (e) was added as follows: “the cost related to a requested change in metering resolving a meter access problem, may be fully funded by EMM, subject to funding being available. If the request, by the customer, for a change in metering does not resolve an access or similar problem, the cost will be for the customer. A change in metering for groups of customers should be for the account of Ekurhuleni)”

Par 8: Deviations from Policy. The following provision was added:

Complex technical and social conditions may require that deviations from the policy be allowed. Examples, listed below (not exhaustively), requires a case-by-case decision by the Head of Department: Energy, based on practical aspects:

- Replacing all credit meters in an area or as part of a project, with prepayment metering (as per this policy). During these special projects, amnesty may be required in terms of levying the reinstatement fee for bypassed meters. Such amnesty shall be approved in writing by the Head of Department: Energy or his delegate and will have a specific time duration.
- In the case of individual connections, where a reinstatement fee was levied, motivation may be made in writing by the responsible official, for the reinstatement fee to be reversed based on specific, mitigating factual information. Such reversal shall be approved in writing by the Head of Department: Energy or his delegate.

Policy to Promote Electricity Conservation and Efficiency

Policy remained unchanged

Policy for the Vending of Pre-paid Electricity (Refer to Annexure U)

Par 1: Definitions were added to the policy as follows:

Vending means the sale of electricity to customers with prepayment electricity meter connections

Tampering means to interfere with the metering installation in a way that damages it or slows it down.

Vending service provider means the entity appointed by Council to manage the sale of prepayment electricity.

Vending agents means the outlet appointed by the vending service provider to sell prepayment electricity

Disaster recovery means the retrieval of data that may have been lost.

CTS meters: Credit transfer specification meters are secure message system for carrying information between a point of sale (POS) and a meter.

STS meters: Standard transfer specification meters are secure message system for carrying information between a point of sale (POS) and a meter.

Par 2 and various other paragraphs: designations of officials were amended to be in line with the Institutional Review process.

Par 3: Reporting: The following minimum reports were added for vendors:

- Low purchase levels as specified by user (i.e. <50 kWh per month)
- Purchase history of customer.
- Summaries of connections per tariff.
- No-purchase report for specified periods (e.g. 90 days no purchase)
- Connection history of a stand
- Connection history of a meter
- Reports detailing number of transactions per vendor as well as total sale per vendor for specified periods.
- End of shift reports
- Report detailing actions of users
- Reversals, free issues and vending transactions

- Sales (monetary value and kWh by township (suburb) and CCA)
- Active and inactive users
- Report showing history of meters blocked and unblocked

Par 4: Provision of vending stations – the following provision was added:

In order to ensure that vending is available to customers on a 24 hour basis, Council shall appoint a vending service provider/s. These providers will be required to appoint and manage vending agents that are suitable outlets to perform vending on behalf of Council. The vending service providers shall manage the entire third party vending function on behalf of Council inclusive of collecting monies due to Council from the vending of prepayment electricity by the vending agents and depositing the monies collected into Councils bank account. All such vending shall be carried out by means of on-line vending through Councils vending system.

Par 5: Type of meters – the following provision was added:

Council is phasing out CTS meters but due to a number of CTS meters still being used in the network, the vending system should be able to vend to both CTS and STS meters until they are phased out.

Various other refinements to the policy were made. It is recommended that the new policy be read in totality.

Policy for Correction of Meter Reading and Billing Data

Policy remained unchanged

Acceptance of Grants, Donations, Sponsorship and Gifts Policy

Policy remained unchanged

Grants in Aid Policy

This policy is being amended and will be submitted separately to Council for adoption.

Supply Chain Management Policy

This policy is being amended and will be submitted to Council as a separate process

Uniform Cell phone Policy

Policy remained unchanged

2.5 Overview of budget assumptions

2.5.1 External factors

The information will be included in the report tabled to Council

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2013/14 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Metro’s residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration.

The inflation outlook for the MTREF is as follows:

Municipalities must take the following inflation forecasts into consideration when preparing their 2013/14 budgets and MTREF. Again this information will be updated in a further Budget Circular to be issued after the tabling of the National Budget on 27 February 2013.					
Fiscal year	2011	2012	2013	2014	2015
	Actual	Estimate	Forecast		
CPI Inflation	5.0%	5.7%	5.5%	5.1%	4.9%
<i>Source: Medium Term Budget Policy Statement 2012</i>					

2.5.3 Credit rating outlook

Table 34 Credit rating outlook

Security class	Currency	Rating	Annual rating 2011/2012	Previous Rating
Short term	Rand	Moody’s	P-1za	P-1za
Long-term	Rand	Moody’s	Aa2za	Aa2za
Outlook	Rand	Moody’s	Negative	Stable

The rating definitions are:

- Short term: Prime – 1 (highest quality)
Short-Term Debt Ratings (maturities of less than one year)
Prime-1 (highest quality)
- Long-term: Aa2za
Defined as high-grade. “Aa” rated are judged to be of high quality and are subject to very low credit risk.
- Senior unsecured debt (rating attached to municipal bond programme): Aa2za
Defined as high-grade. “Aa” rated are judged to be of high quality and are subject to very low credit risk.
- Long term: Aa3.za
Defined as high-grade: “Aa” rated are judged to be of high quality and re subject to very low risk for long term debt and the best ability to repay short term debt.

2.5.4 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The City currently has a R4 billion Domestic Medium Term Note Programme registered which forms the basis of the borrowings programme. The 2013/14 MTREF is based on the assumption that all borrowings

are undertaken using fixed interest rates (assumed at 11% p.a.) for municipal bonds requiring semi-annual interest payments.

2.5.5 Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (93%) of annual billings. Cash flow is assumed to be 93% of billings. No provision has been made for increased collection of arrear debt and any revenue yielded from this will be used to strengthen the liquidity position of the City.

2.5.6 Growth or decline in tax base of the municipality

Growth projections – growth projections refer to the increase in the number of units consumed for the service. It does not refer to the increase in the tariff, nor does it reflect the total increase in income. It is expressed as a percentage which represents the percentage increase in units consumed. Growth projections are determined per service which is driven by service specific trends. Electricity, as an example shows no growth rate due to the various energy efficiency initiatives and water shows a greater growth rate due to the increased revenue targets to be achieved as part of the eradication of water losses project. The individual growth rates are:

- Assessment Rates: 1.7%
- Electricity: 0%
- Water: 0%
- Sanitation: 0%
- Solid Waste: 0,73%

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

2.5.7 Salary increases

A 7.0% cost of living increase has been provided for.

2.5.8 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

2.5.9 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 95% is achieved on operating expenditure and 90% on the capital programme for the 2013/14 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Metro derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc.).

The revenue strategy is a function of key components such as:

- Growth in the city and economic development;
- Revenue management and enhancement;
- Achievement of a 93% annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2013/14 MTREF on the different revenue categories are:

Table 35 Proposed tariff increases over the medium-term

Revenue category	2013/14 proposed tariff increase	2014/15 proposed tariff increase	2015/16 proposed tariff increase
	%	%	%
Property rates	0	7.5	7.5
Sanitation	7.6	7.5	7.5
Solid Waste	15,0	10,0	7.5
Water	9.82	10,0	10,0
Electricity	7 (average)	8	8

The tables below provide detail investment information and investment particulars by maturity.

Table 36 MBRR SA15 – Detail Investment Information

EKU Ekurhuleni Metro - Supporting Table SA15 Investment particulars by type												
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	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												
Parent municipality												
Securities - National Government	-	-	-	-	-	-	-	-	-	-	-	-
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-
Deposits - Bank	326,976	183,946	114,264	114,264	341,163	341,163	305,573	138,638	22,126	26,126		
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Bonds	-	62,949	375,206	375,206	311,813	311,813	311,813	400,772	574,541	623,231		
Municipality sub-total	330,976	250,895	493,470	493,470	656,976	656,976	621,386	543,411	600,666	653,356		
Entities												
Securities - National Government	-	-	-	-	-	-	-	-	-	-	-	-
Listed Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-
Deposits - Bank	-	-	-	-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners	-	-	-	-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates	-	-	-	-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks	-	-	-	-	-	-	-	-	-	-	-	-
Entities sub-total	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated total:	330,976	250,895	493,470	493,470	656,976	656,976	621,386	543,411	600,666	653,356		

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus of R3.7 million, R3.7 million and R4.9 million in each of the financial years. This surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

The following table is a detailed analysis of the Metro's borrowing liability.

Table 38 MBRR Table SA 17 - Detail of borrowings

EKU Ekurhuleni Metro - Supporting Table SA17 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
R thousand												
<u>Parent municipality</u>												
Long-Term Loans (annuity/reducing balance)	1,843,143		1,667,884		1,485,586		1,309,498	1,309,498	1,309,498	1,130,977	1,001,605	821,197
Long-Term Loans (non-annuity)	432,620		432,620		432,620		32,620	32,620	32,620	32,620	997,098	1,997,198
Local registered stock	305		210		-		-	-	-	-	-	-
Marketable Bonds			1,615,000		2,415,000		3,215,000	3,215,000	3,215,000	4,000,000	4,000,000	4,000,000
Municipality sub-total	2,276,068		3,715,714		4,333,206		4,557,118	4,557,118	4,557,118	5,163,597	5,998,703	6,818,395
<u>Entities</u>												
Long-Term Loans (annuity/reducing balance)												
Entities sub-total	-		-		-		-	-	-	-	-	-
Total Borrowing	2,276,068		3,715,714		4,333,206		4,557,118	4,557,118	4,557,118	5,163,597	5,998,703	6,818,395
Unspent Borrowing - Categorized by type												
<u>Parent municipality</u>												
Marketable Bonds	331,232		87,660		412,161		236,316	124,428	352,547	97,898	97,898	97,898
Municipality sub-total	331,232		87,660		412,161		236,316	124,428	352,547	97,898	97,898	97,898
<u>Entities</u>												
Long-Term Loans (annuity/reducing balance)												
Entities sub-total	-		-		-		-	-	-	-	-	-
Total Unspent Borrowing	331,232		87,660		412,161		236,316	124,428	352,547	97,898	97,898	97,898

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

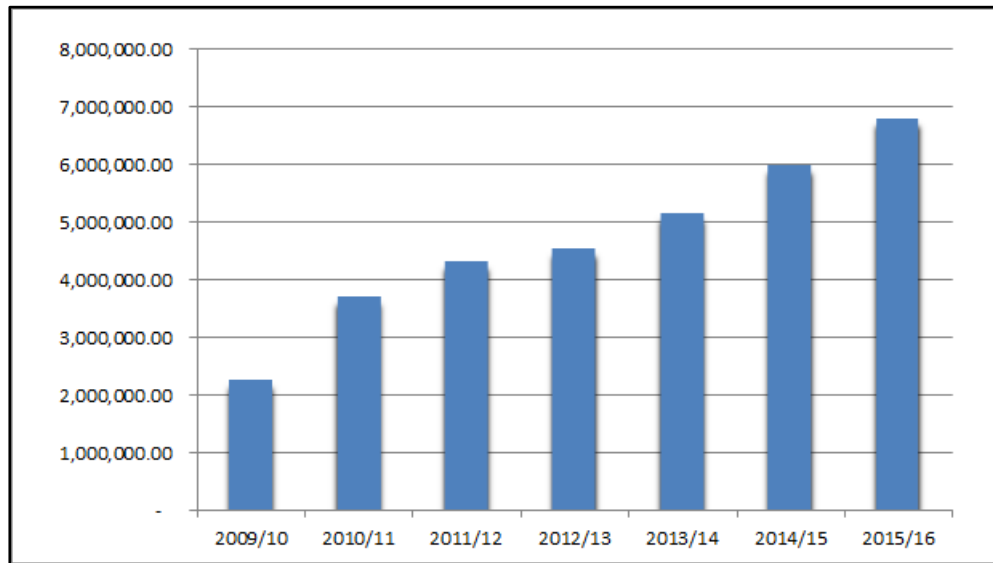


Figure 7 Growth in outstanding borrowing (long-term liabilities)

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R517 million in 2013/14, R917 in 2014/15 and R647 million in 2015/16.

Table 39 MBRR Table SA 18 - Capital transfers and grant receipts

EKU Ekurhuleni Metro - Supporting Table SA18 Transfers and grant receipts										
Description	2009/10		2010/11		2011/12		Current Year 2012/13		2013/14 Medium Term Expenditure Framework	
	Audited Outcome	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:										
Operating Transfers and Grants										
National Government:	2 101 156	1 476 037	1 695 378		1 876 591	2 055 413	2 055 413	2 157 928	2 288 725	2 418 990
Local Government Equitable Share	2 087 358	1 471 409	1 644 128		1 825 341	1 825 341	1 825 341	1 917 953	2 039 212	2 161 058
Finance Management	750	1 000	1 250		1 250	1 250	1 250	1 250	1 250	1 250
Public Transport and Systems	-	-	-		-	2 500	2 500	4 000	-	-
Integrated City Development Grant	-	-	-		-	-	-	8 808	-	-
Other operating grants	13 048	3 628	50 000		50 000	226 322	226 322	225 917	248 263	256 682
Provincial Government:	225 886	209 210	275 156		259 199	247 199	247 199	460 567	283 898	299 057
Health subsidy	94 604	113 431	79 897		108 067	96 067	96 067	104 395	111 952	117 885
Ambulance subsidy	96 850	52 870	163 184		119 220	119 220	119 220	129 001	136 040	143 250
SETA	13 762	11 294	23 539		19 149	19 149	19 149	21 002	22 388	23 821
Other transfers/grants [insert description]	20 670	31 614	8 536		12 763	12 763	12 763	206 169	13 518	14 101
District Municipality:										
Lesedi (PJEC)	-	-	-		-	-	-	-	-	-
Other grant providers:	17 100	12 464	-		-	-	-	-	-	-
Public Contributions	-	12 464	-		-	-	-	-	-	-
Foreign Grants	17 100	-	-		-	-	-	-	-	-
Total Operating Transfers and Grants	2 344 142	1 697 711	1 970 534		2 135 790	2 302 612	2 302 612	2 618 495	2 572 624	2 718 048
Capital Transfers and Grants										
National Government:	497 435	484 631	1 215 159		1 311 919	1 133 097	1 133 097	1 639 943	1 686 269	1 766 598
MIG/USDG	288 253	400 780	1 044 276		1 162 537	994 015	994 015	1 358 995	1 556 269	1 611 598
Public Transport and Systems	27 745	20 000	20 000		50 000	47 500	47 500	239 543	-	-
INEP	3 107	25 000	100 000		73 000	73 000	73 000	10 000	50 000	70 000
Electrification Demand Side Management	3 073	25 000	47 000		12 000	12 000	12 000	11 000	10 000	10 000
Other capital transfers/grants [insert desc]	175 258	13 851	3 893		14 382	6 582	6 582	20 405	70 000	75 000
Provincial Government:	48 433	22 253	97 262		81 733	75 733	75 733	23 550	28 911	38 911
Other capital transfers/grants [insert description]	48 433	22 253	97 262		81 733	75 733	75 733	23 550	28 911	38 911
District Municipality:										
Lesedi (PJEC)	-	-	-		-	-	-	-	-	-
Other grant providers:	28 068	9 825	13 450		18 750	17 750	17 750	27 945	35 000	30 000
Public Contributions	28 068	4 825	13 450		18 750	17 750	17 750	27 945	35 000	30 000
Foreign Grants	-	5 000	-		-	-	-	-	-	-
Total Capital Transfers and Grants	573 937	516 709	1 325 871		1 412 402	1 226 580	1 226 580	1 691 438	1 750 180	1 835 509
TOTAL RECEIPTS OF TRANSFERS & GRANTS	2 918 078	2 214 419	3 296 405		3 548 192	3 529 192	3 529 192	4 309 933	4 322 803	4 553 556

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 40 MBRR Table A7 - Budget cash flow statement

R thousand	Description	2009/10				2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Expenditure Framework		2015/16 Medium Term Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16	Budget Year +2 2015/16		
	CASH FLOW FROM OPERATING ACTIVITIES																
	Receipts																
	Ratepayers and other	8,927,696	11,518,108	14,381,630	18,390,941	18,390,941	18,390,941	18,390,941	18,390,941	18,390,941	18,390,941	22,041,635	23,752,712				
	Government - operating	2,394,111	2,749,523	3,250,953	2,135,790	2,135,790	2,135,790	2,135,790	2,135,790	2,135,790	2,135,790	2,572,624	2,718,048				
	Government - capital	523,968	581,561	1,272,382	1,412,402	1,412,402	1,412,402	1,412,402	1,412,402	1,412,402	1,412,402	1,750,180	1,935,509				
	Interest	361,302	331,751	353,623	352,331	352,331	352,331	352,331	352,331	352,331	352,331	435,862	472,035				
	Dividends																
	Payments																
	Suppliers and employees	(11,112,286)	(13,422,268)	(15,307,210)	(17,655,830)	(17,655,830)	(17,655,830)	(17,795,830)	(17,828,674)	(17,828,674)	(17,828,674)	(21,338,251)	(22,997,941)				
	Finance charges	(307,458)	(382,613)	(453,418)	(580,158)	(580,158)	(580,158)	(580,158)	(580,158)	(580,158)	(580,158)	(924,964)	(896,407)				
	Transfers and Grants	(57,093)	(134,179)	(426,285)	(1,137,904)	(937,904)	(965,060)	(965,060)	(965,060)	(965,060)	(965,060)	(1,077,451)	(1,156,510)				
	NET CASH FROM/(USED) OPERATING ACTIVITIES	730,240	1,241,882	3,071,675	2,917,572	2,917,572	2,917,572	2,917,572	2,917,572	2,917,572	2,917,572	3,459,634	3,727,445				
	CASH FLOWS FROM INVESTING ACTIVITIES																
	Receipts																
	Proceeds on disposal of PPE	38,601	4,553	1,646													
	Decrease (Increase) in non-current debtors																
	Decrease (Increase) other non-current receivables	88,436	25,502	(187)						43							
	Decrease (Increase) in non-current investments	14,677	80,081	(242,575)	(223,857)	(223,857)	(223,857)	(223,857)	(127,916)	(127,916)	(127,916)	(57,256)	(52,690)				
	Payments																
	Capital assets	(1,937,292)	(1,926,053)	(2,001,014)	(2,650,708)	(2,557,739)	(2,557,739)	(2,557,739)	(2,301,965)	(2,301,965)	(2,301,965)	(3,119,799)	(3,368,826)				
	NET CASH FROM/(USED) INVESTING ACTIVITIES	(1,795,578)	(1,815,917)	(2,242,131)	(2,874,565)	(2,781,596)	(2,781,596)	(2,781,596)	(2,429,838)	(2,429,838)	(2,429,838)	(2,867,367)	(3,421,516)				
	CASH FLOWS FROM FINANCING ACTIVITIES																
	Receipts																
	Short term loans																
	Borrowing long term/refinancing	800,000	1,615,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	997,106	1,000,100				
	Increase (decrease) in consumer deposits	43,873	70,011	45,573	35,689	35,689	35,689	35,689	20,313	20,313	20,313	41,966	43,680				
	Payments																
	Repayment of borrowing	(178,835)	(436,738)	(175,557)	(182,358)	(182,358)	(182,358)	(182,358)	(182,358)	(182,358)	(182,358)	(178,648)	(162,000)				
	NET CASH FROM/(USED) FINANCING ACTIVITIES	665,038	1,248,273	670,016	653,331	653,331	653,331	653,331	637,955	637,955	637,955	860,424	881,780				
	NET INCREASE/ (DECREASE) IN CASH HELD	(400,300)	674,238	1,499,561	696,338	789,307	789,307	789,307	1,125,689	1,125,689	1,125,689	1,143,003	1,187,709				
	Cash/cash equivalents at the year begin:	1,064,925	664,625	1,338,863	2,193,076	2,193,076	2,193,076	2,193,076	2,193,076	2,193,076	2,193,076	2,982,384	3,637,717	4,780,720			
	Cash/cash equivalents at the year end:	664,625	1,338,863	2,838,424	2,889,414	2,982,383	2,889,414	2,982,383	3,318,765	3,318,765	3,318,765	4,780,720	5,968,429				

The above table shows that cash and cash equivalents of the Metro were under trend between the 2009/10 and 2010/11 financial year with cash balances of R1 064 million and R 664 million. Since 2011/12 MTREF budget various cost efficiencies and savings had to be realised to ensure the Metro could meet its operational expenditure commitments. In addition the Metro undertook an extensive debt collection process to boost cash levels. These initiatives and interventions have translated into a positive cash position for the Metro and it is projected that cash and cash equivalents on hand will increase to R2 982 million by the 2012/13 financial year end. Furthermore the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term with cash levels anticipated to reach R3 637 million by 2013/14 and steadily increasing to R5 968 million by 2015/16.

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This 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 41 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	EKU Ekurhuleni Metro - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation												
	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	Pre-audit outcome	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	664,625	1,338,863	2,838,424	2,889,414	2,982,383	3,318,765	3,318,765	3,318,765	3,318,765	3,637,717	4,780,720	5,968,429	
Other current investments > 90 days	246,306	20,000	21,285	20,000	20,000	21,285	21,285	21,285	21,285	21,285	21,285	21,285	
Non current assets - Investments	84,670	230,895	472,185	636,976	636,976	600,101	600,101	600,101	600,101	522,126	579,381	632,071	
Cash and investments available:	995,602	1,589,759	3,331,895	3,546,390	3,639,359	3,940,151	3,940,151	3,940,151	3,940,151	4,181,128	5,381,387	6,624,785	
Application of cash and investments													
Unspent conditional transfers	200,485	133,881	99,676	99,676	99,676	-	-	-	-	-	-	-	
Unspent borrowing	331,232	87,660	412,161	236,316	124,428	352,547	352,547	352,547	352,547	97,898	97,898	97,898	
Statutory requirements													
Other working capital requirements	474,754	(13,156)	133,793	693,187	694,047	110,447	110,447	110,447	110,447	744,399	833,517	815,967	
Other provisions													
Long term investments committed	301,501	224,185	464,610	649,192	649,192	596,063	596,063	596,063	596,063	511,252	550,642	637,121	
Reserves to be backed by cash/investments	598,566	571,366	684,614	934,879	934,879	1,019,879	1,019,879	1,019,879	1,019,879	1,202,040	1,717,350	1,925,526	
Total Application of cash and investments:	1,906,539	1,003,937	1,794,853	2,613,250	2,502,222	2,078,937	2,078,937	2,078,937	1,726,390	2,555,589	3,199,407	3,476,512	
Surplus(shortfall)	(910,937)	585,822	1,537,041	933,140	1,137,137	1,861,215	2,213,762	2,213,762	2,213,762	1,625,539	2,181,980	3,145,273	
Other working capital requirements													
Debtors	1,864,484	2,477,030	2,552,038	2,457,819	2,456,959	3,040,559	3,040,559	3,040,559	3,040,559	2,721,708	2,979,201	3,259,828	
Creditors due	2,339,238	2,463,874	2,685,831	3,151,006	3,151,006	3,151,006	3,151,006	3,151,006	3,151,006	3,466,107	3,812,718	4,075,795	
Total	(474,754)	13,156	(133,793)	(693,187)	(694,047)	(110,447)	(110,447)	(110,447)	(110,447)	(744,399)	(833,517)	(815,967)	
Debtors collection assumptions													
Balance outstanding - debtors	2,828,468	2,859,965	2,855,667	2,680,513	2,680,513	3,246,420	3,246,420	3,246,420	3,246,420	2,935,123	3,215,194	3,521,360	
Estimate of debtors collection rate	66%	87%	89%	92%	92%	94%	94%	94%	94%	93%	93%	93%	

From the above table it can be seen that the cash and investments available total R3 331 million in the 2011/12 financial year and progressively increase to R6 622 million 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) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to ‘roll-over’ and be spent in the ordinary course of business, but this practice has been discontinued. During 2009/10 financial year, National Treasury issued circular 51 which outline the process to be followed in order to retain unspent conditional grants. Subsequently Circular 59 was issued on the 15 May 2012 which specifically deals with the process to be followed for motivating for 2011/12 unspent funds. The Metro has received the necessary roll-over approval from the National Treasury for the 2012/13 as the funding appropriation relating to the unspent conditional grants could be motivated as part of existing projects.
- There is a R412 million unspent borrowing from the previous financial year (2011/12). In terms of the municipality’s Borrowing and Investments Policy, borrowings are only drawn down once the expenditure has been incurred against the particular project. Unspent borrowing is ring-fenced and reconciled on a monthly basis to ensure no unnecessary liabilities are incurred.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital, as was experienced by the Metro in 2010/11 resulting in cash flow challenges. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month’s operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the Metro to meet its creditor obligations.
- Against other provisions an amount R316 million has been provided for the 2012/13 financial year and this increases to R441 million by 2014/15. This liability is informed by, amongst others, the supplementary pension liability.
- Long term investments consist primarily of the sinking funds for the repayment of future borrowings. The sinking fund value is held within long term investments and must be ‘held to maturity’ and is not available for spending. This commitment amounts to R649 million for the 2013/14 financial year.
- 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. The reserve funds are not fully cash-backed. The level of cash-backing is directly informed by the municipality’s cash backing policy. These include the rehabilitation of landfill sites and quarries.

It can be concluded that the Metro had a deficit against the cash backed and accumulated surpluses in the year 2009/10. For the current year a cash surplus is forecasted and for future years an increase of surplus cash is predicted to an amount of R3 145 million. In conclusion, from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible for the MTREF. The challenge for the Metro will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

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

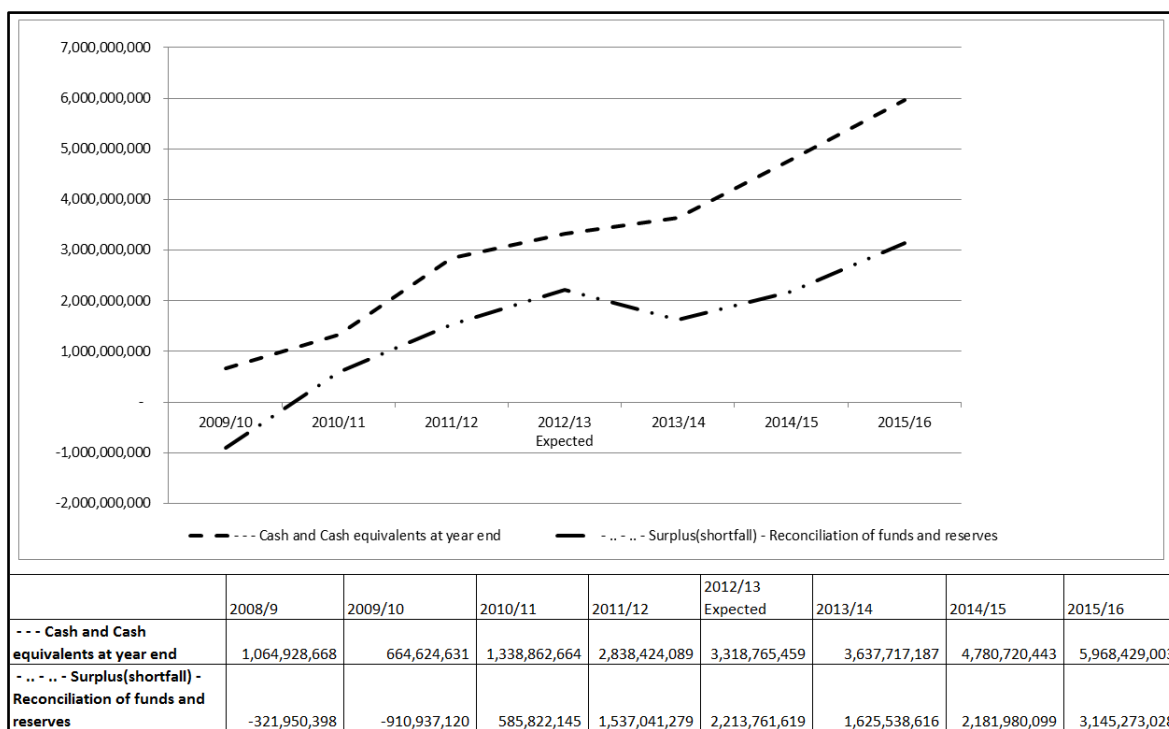


Figure 8 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 42 MBRR SA10 – Funding compliance measurement

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement														
Description	MFMA section	Ref	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	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15
Funding measures														
Cash/cash equivalents at the year end - R'000	18(1)b	1	664,625		1,338,863		2,838,424		2,889,414	2,982,383	3,318,765	3,637,717	4,780,720	5,988,429
Cash + investments at the yr end less applications - R'000	18(1)b	2	(910,937)		585,822		1,537,041		933,140	1,137,137	1,861,215	1,625,539	2,181,980	3,145,273
Cash year end/monthly employee/supplier payments	18(1)b	3	0.6	1.1			2.0	1.8	1.8	1.8	2.1	2.1	2.5	2.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(485,178)		(2,312,211)		(519,102)		455,748	359,302	742,435	742,435	728,379	763,677
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	5.1%		15.2%		11.2%	(6.0%)	(8.2%)		(6.0%)	2.6%	2.2%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	65.9%	86.6%		89.4%		91.7%	91.7%	93.7%	93.7%	93.7%	92.7%	92.6%
Debt impairment expense as a % of total billable revenue	18(1)c	7	12.4%	11.4%		10.2%		7.0%	7.0%	7.3%	7.3%	7.3%	5.8%	5.9%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	100.0%		100.0%		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	56.6%	120.1%		110.7%		64.6%	58.6%	72.2%	72.2%	72.2%	72.8%	65.2%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10										100.7%	100.8%	100.7%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	2.0%		(0.2%)		(6.1%)	0.0%	21.1%	21.1%	0.0%	9.6%	9.5%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(91.6%)		8.0%		(1.7%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3.4%	4.2%		4.1%		4.1%	4.1%	4.0%	4.0%	4.4%	4.6%	4.8%
Asset renewal % of capital budget	20(1)(vi)	14	39.6%	47.0%		52.6%		39.7%	39.5%	39.5%	39.5%	48.0%	42.7%	44.1%
References														
1. Positive cash balances indicative of minimum compliance - subject to 2														
2. Deduct cash and investment applications (defined) from cash balances														
3. Indicative of sufficient liquidity to meet average monthly operating payments														
4. Indicative of funded operational requirements														
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)														
6. Realistic average cash collection forecasts as % of annual billed revenue														
7. Realistic average increase in debt impairment (doubtful debt) provision														
8. Indicative of planned capital expenditure level & cash payment timing														
9. Indicative of compliance with borrowing only for the capital budget - should not exceed 100% unless refinancing														
10. Substantiation of National/Province allocations included in budget														
11. Indicative of realistic current arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)														
12. Indicative of realistic long term arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)														
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection														
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection														

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement														
Description	MFMA section	Ref	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Supporting indicators														
% incr total service charges (incl prop rates)	18(1)a			11.1%	21.2%		17.2%	0.0%			0.0%	10.2%	8.6%	8.2%
% incr Property Tax	18(1)a			13.2%	6.0%	17.2%	0.0%				0.0%	16.3%	9.5%	7.5%
% incr Service charges - electricity revenue	18(1)a			25.3%	19.7%	16.0%	0.1%				0.0%	9.0%	8.0%	8.0%
% incr Service charges - water revenue	18(1)a			(41.8%)	73.4%	17.6%	0.0%				0.0%	6.6%	10.0%	10.0%
% incr Service charges - sanitation revenue	18(1)a			53.9%	5.1%	17.0%	0.0%				0.0%	3.0%	7.5%	7.5%
% incr Service charges - refuse revenue	18(1)a			8.3%	18.8%	32.9%	0.0%				0.0%	19.0%	10.6%	8.5%
% incr in Service charges - other	18(1)a			12.9%	3.4%	9.1%	0.0%				0.0%	9.8%	5.1%	4.9%
Total billable revenue	18(1)a			11,401,955	15,333,893	17,982,172	17,987,572	17,590,220	17,590,220	19,818,408	21,530,224	23,285,588		
Service charges				11,353,236	15,284,666	17,920,923	17,926,323	17,540,797	17,540,797	19,757,281	21,465,574	23,217,301		
Property rates				2,203,207	2,493,578	2,644,170	3,098,272	2,934,830	2,934,830	3,602,668	3,944,738	4,240,593		
Service charges - electricity revenue				6,057,776	7,588,994	9,086,646	10,547,311	10,482,829	10,482,829	11,499,685	12,418,145	13,409,895		
Service charges - water revenue				2,035,429	1,184,378	2,053,595	2,414,589	2,291,797	2,291,797	2,574,470	2,831,917	3,115,109		
Service charges - sanitation revenue				442,628	681,256	715,985	838,018	795,196	795,196	862,863	927,578	997,149		
Service charges - refuse removal				564,339	610,983	726,039	964,611	969,848	969,848	1,147,822	1,269,866	1,377,631		
Service charges - other				49,858	56,295	58,232	63,523	66,296	66,296	69,772	73,330	76,924		
Rental of facilities and equipment				48,719	49,064	49,227	61,249	49,422	49,422	61,127	64,650	68,287		
Capital expenditure excluding capital grant funding				1,413,324	1,344,492	722,970	1,238,306	1,364,282	1,108,508	1,289,495	1,369,619	1,533,318		
Cash receipts from ratepayers	18(1)a			8,927,696	11,518,108	14,381,630	18,390,941	18,390,941	18,390,941	20,352,644	22,041,635	23,752,712		
Ratepayer & Other revenue	18(1)a			13,543,536	13,298,744	16,092,691	20,057,279	20,064,294	19,636,096	21,948,533	23,787,628	25,658,363		
Change in consumer debtors (current and non-current)				(40,310)	31,497	(4,298)	(175,154)	390,752	390,752	254,610	280,071	306,166		
Operating and Capital Grant Revenue	18(1)a			2,876,826	3,397,688	4,557,540	3,548,192	3,640,832	3,640,832	4,309,933	4,322,803	4,553,556		
Capital expenditure - total	20(1)(vi)			1,937,292	1,926,053	2,001,014	2,650,708	2,557,739	2,301,965	2,980,933	3,119,799	3,368,826		
Capital expenditure - renewal	20(1)(vi)			767,602	904,696	1,051,967	1,051,890	1,011,544	910,390	1,430,090	1,331,480	1,484,268		
Supporting benchmarks														
Growth guideline maximum				6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline				4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%	5.4%	5.4%
DoRA operating grants total MFY										2,157,928	2,288,725	2,418,990		
DoRA capital grants total MFY										1,639,943	1,686,269	1,766,598		
Provincial operating grants										460,567	283,898	299,057		
Provincial capital grants										23,550	28,911	38,911		
District Municipality grants														
Total gazetted/advised national, provincial and district grants										4,281,988	4,287,803	4,523,556		
Average annual collection rate (arrears inclusive)														

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement														
Description	MFMA section	Ref	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
DoRA operating														
Local Government Equitable Share														
Finance Management & PTIS														
Integrated City Development Grant														
USDG - operating														
DoRA capital														
USDG														
Public Transport and Systems														
INEP & Electrification Demand Side Management														
NDPG & EPWP														
Trend														
Change in consumer debtors (current and non-current)														
Total Operating Revenue														
Total Operating Expenditure														
Operating Performance Surplus/(Deficit)														
Cash and Cash Equivalents (30 June 2012)														
Revenue														
% Increase in Total Operating Revenue														
% Increase in Property Rates Revenue														
% Increase in Electricity Revenue														
% Increase in Property Rates & Services Charges														
Expenditure														
% Increase in Total Operating Expenditure														
% Increase in Employee Costs														
% Increase in Electricity Bulk Purchases														
Average Cost Per Budgeted Employee Position (Remuneration)														
Average Cost Per Councilor (Remuneration)														
R&M % of PPE														
Asset Renewal and R&M as a % of PPE														
Debt Impairment % of Total Billable Revenue														

EKU Ekurhuleni Metro Supporting Table SA10 Funding measurement														
Description	MfMA section	Ref	2009/10		2010/11		2011/12		Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	%	Audited Outcome	%	Audited Outcome	%	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Revenue														
Internally Funded & Other (R'000)			114,287		300,921		247,470		276,549	248,894	248,894	249,405	222,513	383,218
Borrowing (R'000)			1,299,037		1,043,572		475,500		1,087,733	859,614	859,614	1,040,089	1,147,106	1,150,100
Grant Funding and Other (R'000)			523,968		581,561		1,278,045		1,193,456	1,193,456	1,193,456	1,691,438	1,750,180	1,635,509
Internally Generated funds % of Non Grant Funding			8.1%		22.4%		34.2%		20.3%	22.5%	22.5%	19.3%	16.2%	25.0%
Borrowing % of Non Grant Funding			91.9%		77.6%		65.8%		79.7%	77.5%	77.5%	80.7%	83.8%	75.0%
Grant Funding % of Total Funding			27.0%		30.2%		63.9%		46.7%	51.8%	51.8%	56.7%	56.1%	54.5%
Capital Expenditure														
Total Capital Programme (R'000)			1,937,292		1,925,053		2,001,014		2,557,739	2,301,965	2,301,965	2,980,933	3,119,799	3,368,826
Asset Renewal			767,602		904,696		1,051,967		1,011,544	910,390	910,390	1,430,090	1,331,480	1,484,268
Asset Renewal % of Total Capital Expenditure			39.6%		47.0%		52.6%		39.5%	39.5%	39.5%	48.0%	42.7%	44.1%
Cash														
Cash Receipts % of Rate Payer & Other			65.9%		86.6%		89.4%		91.7%	93.7%	93.7%	92.7%	92.7%	92.6%
Cash Coverage Ratio			0		0		0		0	0	0	0	0	0
Borrowing														
Credit Rating (2009/10)														
Capital Charges to Operating			3.2%		4.6%		3.1%		3.4%	3.4%	3.4%	5.1%	4.2%	3.7%
Borrowing Receipts % of Capital Expenditure			56.6%		120.1%		110.7%		58.6%	72.2%	72.2%	60.9%	72.8%	65.2%
Reserves														
Surplus/(Deficit)			(910,937)		585,822		1,537,041		1,137,137	1,861,215	2,213,762	1,625,539	2,181,980	3,145,273
Free Services														
Free Basic Services as a % of Equitable Share			0.0%		0.0%		2.3%		2.3%	2.3%	2.3%	2.4%	2.5%	2.6%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%		9.0%		6.8%		6.0%	6.3%	6.3%	6.0%	5.9%	6.0%
High Level Outcome of Funding Compliance														
Total Operating Revenue			15,985,513		16,239,296		19,532,362		22,587,094	22,220,955	22,220,955	24,767,643	26,580,684	28,613,238
Total Operating Expenditure			15,396,526		17,893,784		20,239,472		22,581,785	21,760,665	21,760,665	24,633,937	26,482,750	28,319,099
Surplus/(Deficit) Budgeted Operating Statement			588,987		(1,654,487)		(707,110)		5,310	460,290	460,290	133,706	97,933	294,139
Surplus/(Deficit) Considering Reserves and Cash Backing			(321,950)		(1,068,665)		829,931		1,142,447	2,321,505	2,674,052	1,759,245	2,279,914	3,439,412
MTREF Funded (1) / Unfunded (0)		15	R 0.00		R 0.00		R 1.00		R 1.00	R 1.00	R 1.00	R 1.00	R 1.00	R 1.00
MTREF Funded ü / Unfunded ü		15	*		*		✓		✓	✓	✓	✓	✓	✓

2.6.5.1 *Cash/cash equivalent position*

The Metro's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA, which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the MTREF shows R3.6 billion, R4.7 billion and R5.9 billion for each respective financial year.

2.6.5.2 *Cash plus investments less application of funds*

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25, on page 71. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.3 *Monthly average payments covered by cash or cash equivalents*

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Metro to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. Notably, the ratio has been increasing significantly for the period 2009/10 to 2011/12, moving from 0.6 to 2.0. During the MTREF the municipality's improving cash position causes the ratio to move upwards to 2.9 in 2015/16. This measure will have to be carefully monitored going forward.

2.6.5.4 *Surplus/deficit excluding depreciation offsets*

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the MTREF the indicative outcome is a surplus of R734m, R679m and R709m.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

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

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase. The result is intended to be an approximation of the real increase in revenue. From the table above it can be seen that the percentage growth totals 4.2%, 2.6% and 2.2% per cent for the respective financial year of the MTREF. This trend will have to be carefully monitored and managed with the implementation of the budget.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is expected to be at 92.7%, 92.7% and 92.6% per cent for each of the respective financial years. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

A 93% collection target has been set for the Metro.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 7% over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

2.6.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It should be noted that a timing discount may have an influence into the cash position forecasted over financial years. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

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

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 61%, 72.8% and 65.2% of own funded capital over the MTREF.

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

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100% could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Metro has budgeted for all transfers.

2.6.5.11 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. The current consumer debtors' ratio decreases over the MTREF to 9.5% in 2015/16. The long term receivables' ratio is expected to be constant at 0.0% for the 2014/15 as well as the 2015/16 years.

2.6.5.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the Metro's strategy pertaining to asset management and repairs and maintenance are contained in Table 81 MBRR SA34c - Repairs and maintenance expenditure by asset class on page 271.

2.6.5.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 80 MBRR SA34b on page 270.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

R thousand	Description	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	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:	2,107,943	2,591,715	2,957,283	1,876,591	2,057,898	2,057,898	2,057,898	2,157,928	2,288,725	2,418,990		
	Local Government Equitable Share	2,087,358	2,588,174	2,906,100	1,825,341	1,825,341	1,825,341	1,825,341	1,917,953	2,039,212	2,161,058		
	RSC Levy Replacement	-	-	-	-	-	-	-	-	-	-		
	Finance Management	750	1,000	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250		
	Public Transport and Systems	-	-	-	-	-	-	-	4,000	-	-		
	Integrated City Development Grant	-	-	-	-	-	-	-	8,808	-	-		
	Other operating grants	19,835	2,541	49,933	50,000	228,807	228,807	228,807	225,917	248,263	256,682		
	Provincial Government:	228,819	211,055	297,397	259,199	289,534	289,534	289,534	460,567	283,898	299,057		
	Health subsidy	94,604	113,431	96,770	108,067	96,067	96,067	96,067	104,395	111,952	117,885		
	Ambulance subsidy	96,850	52,870	163,184	119,220	119,220	119,220	119,220	129,001	136,040	143,250		
	SETA	13,762	11,294	23,539	19,149	19,149	19,149	19,149	21,002	22,388	23,821		
	Other transfers/grants [insert description]	23,603	33,460	14,905	12,763	55,098	55,098	55,098	206,169	13,518	14,101		
	District Municipality:	0	0	0	0	0	0	0	0	0	0		
	Lesedi (P/JEC)	0	0	0	0	0	0	0	0	0	0		
	Other grant providers:	16,097	13,357	2,832	2,832	268	268	268	268	268	268		
	Public Contributions	2,080	9,363	2,832	2,832	268	268	268	268	268	268		
	Foreign Grants	14,017	3,994	-	-	-	-	-	-	-	-		
	Total operating expenditure of Transfers and Grants:	2,352,858	2,816,128	3,257,512	2,135,790	2,347,700	2,347,700	2,347,700	2,618,495	2,572,624	2,718,048		
	Capital expenditure of Transfers and Grants												
	National Government:	471,747	511,527	1,224,922	1,311,919	1,138,690	1,138,690	1,138,690	1,639,943	1,686,269	1,766,598		
	MIG/USDG	414,953	399,822	1,044,318	1,162,537	994,015	994,015	994,015	1,368,995	1,566,269	1,611,598		
	Public Transport and Systems	8,474	13,131	34,408	50,000	53,092	53,092	53,092	239,543	-	-		
	INEP	3,107	26,413	99,083	73,000	73,000	73,000	73,000	10,000	50,000	70,000		
	Electrification Demand Side Management	-	24,971	47,114	12,000	12,000	12,000	12,000	11,000	10,000	10,000		
	Other capital transfers/grants [insert desc]	45,213	48,189	-	14,382	6,582	6,582	6,582	20,405	70,000	75,000		
	Provincial Government:	26,768	58,033	91,644	81,733	37,017	37,017	37,017	23,550	28,911	38,911		
	Other capital transfers/grants [insert description]	26,768	58,033	91,644	81,733	37,017	37,017	37,017	23,550	28,911	38,911		
	District Municipality:	-	-	-	-	-	-	-	-	-	-		
	Lesedi (P/JEC)	-	-	-	-	-	-	-	-	-	-		
	Other grant providers:	25,453	12,000	14,383	18,750	17,750	17,750	17,750	27,945	35,000	30,000		
	Public Contributions	25,249	7,844	14,383	18,750	17,750	17,750	17,750	27,945	35,000	30,000		
	Foreign Grants	204	4,156	-	-	-	-	-	-	-	-		
	Total capital expenditure of Transfers and Grants	523,968	581,561	1,330,949	1,412,402	1,193,456	1,193,456	1,193,456	1,691,438	1,750,180	1,835,509		
	TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	2,876,826	3,397,688	4,588,461	3,548,192	3,541,156	3,541,156	3,541,156	4,309,933	4,322,803	4,553,556		

Table 45: MBRR SA22 - Summary of councillor and staff benefits

EKU Ekurhuleni Metro - Supporting Table SA22 Summary councillor and staff benefits							2013/14 Medium Term Revenue & Expenditure Framework		
Summary of Employee and Councillor remuneration	2009/10	2010/11	2011/12	Current Year 2012/13			Budget Year	Budget Year	Budget Year
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	2013/14	+1 2014/15	+2 2015/16
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	36,415	38,978	49,830	59,938	59,938	60,619	59,147	63,051	67,086
Pension and UIF Contributions	5,170	5,532	7,104	8,991	8,991	9,090	8,197	8,738	9,297
Medical Aid Contributions	1,964	1,898	2,095	3,134	3,134	3,131	2,458	2,620	2,788
Motor Vehicle Allowance	10,392	10,006	7,700	7,423	7,423	7,712	10,535	11,230	11,949
Cellphone Allowance	-	-	-	3,169	3,169	1,069	2,911	3,104	3,302
Housing Allowances	8,573	10,495	12,677	20,672	20,672	20,536	14,038	14,964	15,922
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Sub Total - Councillors	62,513	66,908	79,406	103,326	103,326	102,157	97,286	103,707	110,344
% increase		7.0%	18.7%	30.1%	-	(1.1%)	(4.8%)	6.6%	6.4%
Senior Managers of the Municipality									
Basic Salaries and Wages	20,646	20,747	33,998	40,793	40,793	40,793	43,760	46,605	49,634
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus	578	1,536					4,558	4,855	5,170
Motor Vehicle Allowance									
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances	1,182	1,252	445	569	569	569	1,823	1,941	2,068
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Municipality	22,406	23,536	34,444	41,362	41,362	41,362	50,142	53,401	56,872
% increase		5.0%	46.3%	20.1%	-	-	21.2%	6.5%	6.5%
Other Municipal Staff									
Basic Salaries and Wages	2,679,032	2,347,381	2,512,179	3,068,859	2,969,683	2,528,827	3,422,654	3,648,599	3,882,056
Pension and UIF Contributions	510,273	567,984	607,591	651,472	650,997	632,516	732,164	780,486	830,438
Medical Aid Contributions	275,395	194,671	212,884	269,888	268,995	254,651	267,781	285,455	303,724
Overtime	323,023	332,031	366,826	344,450	346,060	321,471	372,142	396,703	422,092
Performance Bonus									
Motor Vehicle Allowance									
Cellphone Allowance	6,420	7,268	8,614	8,433	8,395	8,018	11,441	12,196	12,977
Housing Allowances									
Other benefits and allowances	19,074	23,513	24,189	34,996	34,996	30,973	31,504	33,583	35,733
Payments in lieu of leave	68,245	95,131	87,983	103,557	103,557	102,490	154,673	164,881	175,433
Long service awards	20,557	60,813	73,118	15,193	15,193	78,776	16,300	17,376	18,488
Post-retirement benefit obligations	47,263	148,118	181,704	70,392	70,392	91,424	75,272	80,240	85,375
Sub Total - Other Municipal Staff	3,949,281	3,776,910	4,075,088	4,567,240	4,468,268	4,049,146	5,083,931	5,419,521	5,766,317
% increase		(4.4%)	7.9%	12.1%	(2.2%)	(9.4%)	25.6%	6.6%	6.4%
Total Parent Municipality	4,034,200	3,867,354	4,188,938	4,711,928	4,612,955	4,192,664	5,231,358	5,576,628	5,933,532
		(4.1%)	8.3%	12.5%	(2.1%)	(9.1%)	24.8%	6.6%	6.4%

Provision is made for a 7.0% increase in Councillor remuneration.

The budget for councillor remuneration reflects a decrease of 4.8% from 2012/2013 to the 2013/2014 financial year. The decrease is the result of an estimated amount of R12.5m that was included in the 2012/13 Budget for Ward committee members' stipends. The provision of ward committee stipends should form part of the salary costs.

The budget was corrected as follows:

Total Councillor remuneration Budgeted in 2012/13	R103,326,033
Less amount provided for Ward Committee members	<u>-R12,500,000</u>
Correct Adjusted Amount in 2012/13	R90,826,033
Plus increase for 2013/14 (7.5%)—	<u>R6,459,799</u>
TOTAL BUDGET FOR 2013/14	R97,285,812

The increase from 2013/2014 to 2014/2015 is at 6.6%.

In reconciling the total employee related costs with the budget provided the following details are provided:

FINANCIAL PERIOD	F00				F01 2013/14	%	%	%	F02 2014/15	F03 2015/16
	2012/13									
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE	PROJECTED		B to B	P to B	Of Total		
	R	R	R	R	R	%	%	%	R	R
Employee Related Costs - Salaries & Wages	3,985,972,500	3,886,758,128	1,996,673,627	3,570,683,155	4,455,326,532	14.63%	24.78%	17.40%	4,749,377,997	5,053,338,205
Employee Related Costs - Overtime	344,450,306	346,059,564	229,157,987	321,470,554	372,141,709	7.54%	15.76%	1.45%	396,703,053	422,092,032
Employee Related Costs - Additional Positions	62,640,787	62,640,787	-	-	55,000,000	-12.20%		0.21%	58,630,000	62,382,320
Employee Related Costs - Social Contributions	1,026,747,738	1,025,380,480	547,836,789	1,009,563,433	1,106,721,431	7.93%	9.62%	4.32%	1,179,765,044	1,255,270,002
Employee Related Costs - Salaries Capitalised	(116,274,154)	(116,274,154)	-	(116,274,154)	(132,791,426)	14.21%	14.21%	-0.52%	(141,555,660)	(150,615,226)
Employee Related Costs - Salaries to R and M Internal	(694,935,608)	(694,935,608)	(357,195,161)	(694,935,608)	(722,325,589)	3.94%	3.94%	-2.82%	(769,999,078)	(819,279,016)
	4,608,601,589	4,509,629,197	2,416,473,242	4,090,507,380	5,134,072,657				5,472,921,356	5,823,188,317
Remuneration of Councillors	103,326,033	103,326,033	50,906,416	102,156,848	97,285,812	-5.85%	-4.77%	0.38%	103,706,670	110,343,898
Sub-Total: Remuneration	4,711,927,602	4,612,955,230	2,467,379,658	4,192,664,228	5,231,358,469	13.41%	24.77%	20.43%	5,576,628,026	5,933,532,215

The increase of the budget from R4.7 billion to R5.231 billion in 2013/14 could be analysed as follows:

	Salaries	Clr Remuneration	Total
Salaries 2012/13	4,509,629,197	103,326,033	4,612,955,230
Correction		(12,500,000)	(12,500,000)
	4,509,629,197	90,826,033	4,600,455,230
7.0% Increase	315,674,044	6,459,779	322,133,823
	4,825,303,241	97,285,812	4,922,589,053
2% Notch increment	96,506,065	-	96,506,065
	4,921,809,306	97,285,812	5,019,095,118
Jobs Programme	141,000,000	-	141,000,000
Other	71,263,351	-	71,263,351
Salaries 2013/14	5,134,072,657	97,285,812	5,231,358,469

The amount reflected as "Other" relates to the additional provision made for the implementation of the Institutional Review programme.

The provision for the Jobs Programme forms part of Council's commitment towards the creation of jobs. However, cognisance must be taken that it will not be part of Council's permanent organisational structure. The full amount will be utilised for stipend remuneration, Learnership and experiential student deployment.

Table 46 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

EKU Ekurhuleni Metro - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)						
Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	Total Package
Rand per annum			1.			2.
Councillors						
Speaker	1	918,612		21,362		939,975
Chief Whip	1	861,198		21,362		882,560
Executive Mayor	1	1,148,264		42,815		1,191,080
MMCs	10	7,966,079		213,624		8,179,703
Executive Committee	15	11,855,829		320,436		12,176,265
Total for all other councillors	174	71,597,559		2,318,672		73,916,230
Total Councillors	202	94,347,541	-	2,938,272		97,285,812
Senior Managers of the Municipality						
Municipal Manager (MM)	1	2,372,207	99,330	48,000	251,954	2,771,491
Chief Finance Officer	1	2,013,316		36,000	204,932	2,254,248
COO	1	2,114,271	71,208	36,000	222,148	2,443,627
List of each official with packages >= senior manager						
HOD: Strategy and Corporate Planning	1	1,505,000		36,000	154,100	1,695,100
HOD: Economic Development	1	1,634,707		36,000	167,070	1,837,777
HOD: Environmental Resource Management	1	1,495,329		36,000	153,133	1,684,462
HOD: City Planning	1	1,645,911	79,464	36,000	176,138	1,937,513
HOD: Energy	1	1,712,694	127,710	36,000	187,640	2,064,044
HOD: Human Settlement	1	1,376,572		36,000	141,257	1,553,829
HOD: Water and Sanitation	1	1,505,000		36,000	154,100	1,695,100
HOD: Waste Management	1	1,328,921	56,990	36,000	142,191	1,564,102
HOD: Roads and Stormwater	1	1,505,000		36,000	154,100	1,695,100
HOD: Health and Social Development	1	1,596,659	71,208	36,000	170,386	1,874,253
HOD: EMPD	1	1,476,431		36,000	151,243	1,663,674
HOD: Sports, Recreation, Arts and Culture	1	1,385,911		36,000	142,191	1,564,102
HOD: Disaster and Emergency Management	1	1,529,600	105,088	36,000	167,068	1,837,756
HOD: Transport	1	1,610,359		36,000	164,636	1,810,995
HOD: ICT	1	1,376,572		36,000	141,257	1,553,829
HOD: Fleet	1	1,505,000		36,000	154,100	1,695,100
HOD: Facilities Management and Real Estate	1	1,505,000		36,000	154,100	1,695,100
HOD: Human Resources	1	1,696,621		36,000	173,262	1,905,883
HOD: Corporate and Legal	1	1,528,547	139,320	36,000	170,386	1,874,253
HOD: Communications and Brand Management	1	1,088,252	52,624	36,000	117,687	1,294,563
HOD: Internal Audit	1	1,462,331		36,000	149,833	1,648,164
HOD: Risk Management	1	1,275,100		36,000	131,100	1,442,200
HOD: Executive Support	1	1,505,000		36,000	154,100	1,695,100
HOD: Customer Relation Management	1	1,505,000		36,000	154,100	1,695,100
HOD: Enterprise Programme Management	1	1,505,000		36,000	154,100	1,695,100
Total Senior Managers of the Municipality	28	43,760,311	802,942	1,020,000	4,558,312	50,141,565
List each member of board by designation						
BBC Chair person		168,000				168,000
BBC Director		144,000				144,000
BBC Director		144,000				144,000
BBC Director		144,000				144,000
BBC Managing Director		513,839	104,480	125,732		744,051
BBC Financial Manager		447,187	90,929	105,891		644,007
BBC Operations Manager		447,187	90,929	105,891		644,007
ERWAT Chair person	1	208,058				208,058
ERWAT Board Members	5	866,674				866,674
ERWAT CEO	1	1,207,246	588,035	120,000	191,528	2,106,809
ERWAT Executive Directors	8	7,231,368	1,738,770	518,382	948,852	10,437,372
EDC Board - Chairperson	1	144,000				144,000
EDC Board - Board Members	6	684,000				684,000
EDC Chief Executive Officer	1	1,071,000	106,000		107,100	1,284,100
EDC Senior Management	3	2,100,000	177,000		210,000	2,487,000
Total for municipal entities	26	15,520,559	2,896,143	975,896	1,457,480	20,850,078
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	256	153,628,411	3,699,085	4,934,168	6,015,792	168,277,456

Table 47 MBRR SA24 – Summary of personnel numbers

EKU Ekurhuleni Metro - Supporting Table SA24 Summary of personnel numbers												
Number	Summary of Personnel Numbers			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	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities												
Councillors (Political Office Bearers plus Other Councillors)	202	-	175				202	-	202	202	-	202
Board Members of municipal entities												
Municipal employees												
Municipal Manager and Senior Managers	89	-	78				94	-	72	197	-	66
Other Managers	906	767	-	1,001	787	7	1,001	787	7	883	708	27
Professionals	930	807	-	972	834	-	972	834	-	989	843	1
Finance	152	119	-	152	116	-	152	116	-	157	125	-
Spatial/town planning	91	68	-	93	70	-	93	70	-	67	55	-
Information Technology	1	1	-	1	1	-	1	1	-	4	4	-
Roads	6	5	-	6	4	-	6	4	-	16	11	-
Electricity	40	34	-	40	33	-	40	33	-	40	32	-
Water	36	26	-	43	29	-	43	29	-	37	25	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-	-	-	-
Other	604	554	-	637	581	-	637	581	-	668	591	1
Technicians	1,249	1,081	-	1,314	1,160	-	1,314	1,160	-	1,275	1,057	11
Finance	110	92	-	110	91	-	110	91	-	110	92	-
Spatial/town planning	48	40	-	48	37	-	48	37	-	36	29	-
Information Technology	107	94	-	107	95	-	107	95	-	23	18	-
Roads	61	48	-	60	47	-	60	47	-	47	29	-
Electricity	125	107	-	125	105	-	125	105	-	126	104	-
Water	159	116	-	152	133	-	152	133	-	159	110	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Refuse	48	46	-	48	43	-	48	43	-	45	38	-
Other	591	538	-	664	609	-	664	609	-	729	637	11
Clerks (Clerical and administrative)	3,488	3,077	15	3,550	3,134	11	3,550	3,134	11	3,579	3,128	18
Service and sales workers	3,288	3,051	-	3,241	2,950	-	3,241	2,950	-	3,282	2,887	-
Skilled agricultural and fishery workers	173	140	-	176	139	-	176	139	-	147	128	-
Craft and related trades	1,065	897	-	1,045	858	-	1,045	858	-	1,069	845	-
Plant and Machine Operators	1,430	1,319	-	1,433	1,278	-	1,433	1,278	-	1,477	1,331	-
Elementary Occupations	5,480	4,887	-	5,459	4,888	-	5,459	4,888	-	5,413	4,680	-
TOTAL PERSONNEL NUMBERS	18,300	16,026	268	18,487	16,028	292	18,487	16,028	292	18,513	15,607	325
% increase				1.0%	0.0%	9.0%	1.0%	0.0%	9.0%	0.1%	(2.6%)	11.3%
Total municipal employees headcount												
Finance personnel headcount	1,245	1,040	6	1,024	1,243	5	1,024	1,243	5	1,224	1,036	5
Human Resources personnel headcount	256	232	5	215	256	4	215	256	4	257	205	4

In addition to the information supplied in Table SA24 the following summary of employees are provided:

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

Department	Number of Positions				Budget 2013/2014
	Filled	Vacant	Frozen Funding	New Top Structure	
CHIEF OPERATING OFFICER: DELIVERY CO-ORDINATION	6	5		6	R 14,269,079
CITY MANAGER	7	1		2	R 8,256,896
CITY PLANNING	169	49	17	3	R 97,438,829
CITY SECRETARIAT	4	2		4	R 5,883,505
COMMUNICATIONS AND MARKETING	42	9	3	5	R 32,026,618
CORPORATE LEGAL	380	69	12	3	R 162,702,129
CUSTOMER RELATIONS MANAGEMENT	97	6			R 51,309,869
DISASTER AND EMERGENCY MANAGEMENT SERVICES: DISASTER MANAGEMENT	189	17	13	8	R 74,835,250
DISASTER AND EMERGENCY MANAGEMENT SERVICES: EMERGENCY SERVICES	1026	99	23		R 359,915,689
DISASTER AND EMERGENCY MANAGEMENT SERVICES: SUPPORT	2	2	1	1	R 1,522,610
ECONOMIC DEVELOPMENT	23	7	5		R 19,644,907
ECONOMIC DEVELOPMENT: FRESH PRODUCE MARKET	32	8	2	4	R 8,340,243
ECONOMIC DEVELOPMENT: TOURISM	6	4			R 5,269,080
EKURHULENI METRO POLICE DEPARTMENT	1861	258	29		R 510,125,677
ENERGY	989	206	48	1	R 332,288,369
ENVIRONMENTAL RESOURCE MANAGEMENT	12	14	4	2	R 16,829,516
ENVIRONMENTAL RESOURCE MANAGEMENT: PARKS AND CEMETERIES	1952	222	51	4	R 374,382,285
EXECUTIVE OFFICE	57	8			R 32,997,194
EXECUTIVE SUPPORT		1			R 1,200,000
FINANCE	1030	197	68		R 383,111,052
FINANCE: FLEET MANAGEMENT	198	62	31	4	R 67,532,379
FINANCE: REAL ESTATE	308	48	15	5	R 119,416,839
HEALTH AND SOCIAL DEVELOPMENT	1502	146	6	9	R 579,411,828
HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	223	34	10	2	R 115,369,472
HUMAN SETTLEMENTS	207	53	22	1	R 78,938,142
INFORMATION AND COMMUNICATION TECHNOLOGY	156	35	13	4	R 86,950,133
INSTITUTIONAL STRATEGY, M&E AND RESEARCH: GENERAL MANAGER	3			2	R 4,497,499
INSTITUTIONAL STRATEGY, M&E AND RESEARCH: INTEGRATED DEVELOPMENT PLANNING	9				R 5,214,173
INSTITUTIONAL STRATEGY, M&E AND RESEARCH: PROJECT MONITORING OFFICE	3	2			R 5,243,738
INSTITUTIONAL STRATEGY, M&E AND RESEARCH: RESEARCH AND DEVELOPMENT	4	7			R 3,441,320
INTERNAL AUDIT	47	9	4		R 26,045,516
LEGISLATURE	265	120		1	R 58,587,164
RISK MANAGEMENT	1	1			R 5,248,051
ROADS AND STORMWATER	804	176	53	4	R 196,985,344
STRATEGY AND CORPORATE PLANNING				2	R 1,900,000
SRAC: ARTS AND CURLTURE	40	8	3	2	R 19,988,791
SRAC: LIBRARIES	350	48			R 104,644,726
SRAC: SPORT AND RECREATION	965	126	32		R 218,966,621
TRANSPORT PLANNING & PROVISIONING	121	11	1	4	R 41,114,092
TRANSPORT: LICENSING	521	81	36	6	R 162,060,071
WASTE MANAGEMENT	1420	179	51		R 283,776,634
WATER AND SANITATION	944	182	37	5	R 255,569,620
GRAND TOTAL	15,975	2,512	590	94	R 4,933,250,950
NON-STRUCTURAL POSITIONS					
	Total	Filled	Vacant		Budget 2013/2014
TEMPS	217	2	215		R 56,894,581
CAPITAL LABOUR EXPENDITURE	0				R 132,791,426
FIXED TERM POSITIONS	227	50	177		R 79,577,404
CALL CENTRE POSITIONS	50	50	0		R 12,274,145
EXPERENTIAL STUDENTS	212	76	136		R 7,977,806
INTERNSHIPS	30	14	16		R 3,998,418
LEARNERSHIPS	317	172	145		R 9,132,112
METRO POLICE STUDENTS	150	150	0		R 7,339,650
NGO TENDER COMMITTEE	1	0	1		R 124,042
NGO DEVELOPMENT TRIBUNAL	3	0	3		R 372,125
NON-COUNCIL TENDER MEMBER	10	0	10		R 1,240,417
PENSIONERS	5	5	0		R 21,639
TARIFF DOCTORS	15	15	0		R 3,225,000
TRIBUNAL MEMBERS	4	0	4		R 496,167
URBAN MARSHALLS	40	40	0		R 3,875,066
ADDITIONAL POSTS	0				R 55,000,000
MEDICAL- PENSIONERS	0				R 74,272,153
PENSION GRATUITIES	0				R 1,000,000
LONG SERVICE AWARD	0				R 16,300,000
AD-HOC-TRAVEL	0				R 2,756,052
CONTRACT WORKERS	0				R 175,709,843
OVERTIME	0				R 394,859,506
STANDBY	0				R 16,701,165
GRAND TOTAL	1,281	574	707		R 1,055,938,717

Table 49 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

R thousand	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 - Executive and Council	2	2	2	2	2	2	2	2	2	2	2	2	2	2	23	24
	Vote 2 - Finance and Corporate Services	472,980	547,755	439,119	520,509	530,574	538,062	548,146	538,464	538,530	538,086	630,358	408,035	6,246,632	6,716,092	6,934,750	
	Vote 3 - Energy	1,100,695	903,484	1,443,229	889,352	1,088,130	967,573	654,826	570,512	849,316	512,852	921,609	2,103,279	12,004,860	13,097,498	14,202,610	
	Vote 4 - Water and Sanitation	371,102	417,490	371,102	371,102	417,490	449,849	371,102	417,490	371,102	371,102	371,102	258,875	4,568,905	5,011,693	5,384,174	
	Vote 5 - Waste Management	111,093	111,093	111,093	111,093	111,093	111,093	111,093	111,093	111,093	111,093	111,093	86,161	1,308,185	1,449,979	1,538,786	
	Vote 6 - Human Settlements	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	191,362	294,536	154,688	211,387	
	Vote 7 - City Planning	911	911	911	911	911	911	911	911	911	911	911	25,937	2,347	2,347	2,347	
	Vote 8 - Economic Development	5,030	4,163	4,163	4,163	4,163	4,163	4,163	4,163	4,163	4,163	4,163	13,701	60,360	50,591	56,687	
	Vote 9 - Disaster and Emergency Management Services	15,242	15,242	15,242	15,242	15,242	15,242	15,242	15,242	15,242	15,242	15,242	242	167,901	180,066	180,513	
	Vote 10 - Sports, Recreation, Arts & Culture (SPAC)	12,221	12,221	12,221	12,221	12,221	12,221	12,221	12,221	12,221	12,221	12,221	14,924	149,350	67,582	68,507	
	Vote 11 - Health and Social Development	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	16,105	186,775	204,709	260,234	
	Vote 12 - Environmental Resource Management	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	3,728	26,828	67,841	78,332	90,738	
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	8,579	8,579	8,579	8,579	8,579	8,579	8,579	8,579	8,579	8,579	8,579	103,897	103,897	103,897	103,897	
	Vote 14 - Transport Planning & Provisioning	47,806	47,806	47,806	47,806	47,806	47,806	47,806	47,806	47,806	47,806	47,806	47,806	573,671	599,427	585,609	
	Vote 15 - Roads and Stormwater	41,789	41,789	41,789	41,789	41,789	41,789	41,789	41,789	41,789	41,789	41,789	121,484	581,159	519,249	534,189	
	Total Revenue by Vote	2,216,083	2,139,158	2,523,879	2,051,392	2,306,622	2,225,913	1,844,503	1,794,895	2,029,377	1,690,469	2,193,498	3,313,292	26,329,081	28,235,863	30,158,747	
Expenditure by Vote to be appropriated																	
	Vote 1 - Executive and Council	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	18,329	261,897	287,861	305,529	
	Vote 2 - Finance and Corporate Services	240,679	240,679	240,679	240,679	240,679	240,679	240,679	240,679	240,679	240,679	240,679	39,946	2,687,413	2,962,290	3,127,244	
	Vote 3 - Energy	323,159	1,150,468	1,303,471	1,332,872	845,174	929,237	637,454	620,438	750,357	694,204	838,198	1,370,038	10,795,066	11,664,538	12,528,650	
	Vote 4 - Water and Sanitation	291,241	327,647	291,241	291,241	327,647	291,241	291,241	327,647	291,241	291,241	291,241	329,451	3,642,323	3,993,519	4,328,065	
	Vote 5 - Waste Management	99,931	99,931	99,931	99,931	99,931	99,931	99,931	99,931	99,931	99,931	99,931	194,515	1,293,758	1,416,822	1,517,795	
	Vote 6 - Human Settlements	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	220,056	619,876	500,742	515,959	
	Vote 7 - City Planning	14,110	14,110	14,110	14,110	14,110	14,110	14,110	14,110	14,110	14,110	14,110	28,787	183,992	168,360	178,233	
	Vote 8 - Economic Development	8,552	8,552	8,552	8,552	8,552	8,552	8,552	8,552	8,552	8,552	8,552	8,461	102,531	105,965	111,777	
	Vote 9 - Disaster and Emergency Management Services	58,393	58,393	58,393	58,393	58,393	58,393	58,393	58,393	58,393	58,393	58,393	51,480	693,802	745,361	793,004	
	Vote 10 - Sports, Recreation, Arts & Culture (SPAC)	48,184	48,184	48,184	48,184	48,184	48,184	48,184	48,184	48,184	48,184	48,184	56,369	586,389	622,911	660,316	
	Vote 11 - Health and Social Development	63,420	63,420	63,420	63,420	63,420	63,420	63,420	63,420	63,420	63,420	63,420	60,190	757,812	819,201	865,082	
	Vote 12 - Environmental Resource Management	50,072	50,072	50,072	50,072	50,072	50,072	50,072	50,072	50,072	50,072	50,072	54,376	805,169	650,099	691,356	
	Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	80,581	80,581	80,581	80,581	80,581	80,581	80,581	80,581	80,581	80,581	80,581	78,401	964,790	1,029,685	1,097,285	
	Vote 14 - Transport Planning & Provisioning	24,358	24,358	24,358	24,358	24,358	24,358	24,358	24,358	24,358	24,358	24,358	27,078	295,012	309,828	329,620	
	Vote 15 - Roads and Stormwater	95,469	95,469	95,469	95,469	95,469	95,469	95,469	95,469	95,469	95,469	95,469	93,949	1,144,106	1,205,570	1,269,185	
	Total Expenditure by Vote	1,456,638	2,320,352	2,436,949	2,466,350	2,015,958	2,062,116	1,770,932	1,790,322	1,983,835	1,827,662	1,971,676	2,631,427	24,633,937	26,482,150	28,319,099	
	Surplus/(Deficit) before assoc.	759,445	(181,194)	86,930	(414,958)	291,565	163,197	73,570	4,573	145,542	(137,214)	221,821	681,866	1,695,144	1,753,113	1,839,648	
	Surplus/(Deficit)	759,445	(181,194)	86,930	(414,958)	291,566	163,197	73,570	4,573	145,542	(137,214)	221,821	681,866	1,695,144	1,753,113	1,839,648	

Table 50 MBRR 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
R thousand															
Revenue - Standard															
Governance and administration	469,458	543,590	434,954	516,344	515,587	523,074	533,159	521,476	523,542	521,089	615,371	528,995	6,246,655	6,716,115	6,934,774
Executive and council	2	2	2	2	2	2	2	2	2	2	2	2	22	23	24
Budget and treasury office	463,688	537,820	429,184	510,574	509,817	517,304	527,389	516,706	517,772	515,329	609,801	473,225	6,127,411	6,642,619	6,866,872
Corporate services	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	5,768	119,221	73,473	77,877
Community and public safety	64,650	64,650	64,650	64,650	64,650	64,650	64,650	64,650	64,650	64,650	64,650	258,087	969,237	788,955	919,445
Community and social services	2,862	2,862	2,862	2,862	2,862	2,862	2,862	2,862	2,862	2,862	2,862	5,567	37,052	37,553	39,270
Sport and recreation	13,077	13,077	13,077	13,077	13,077	13,077	13,077	13,077	13,077	13,077	13,077	36,177	180,026	108,242	119,849
Public safety	23,281	23,281	23,281	23,281	23,281	23,281	23,281	23,281	23,281	23,281	23,281	8,281	264,368	276,952	281,569
Housing	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	9,380	191,362	294,536	154,688	211,387
Health	16,050	16,050	16,050	16,050	16,050	16,050	16,050	16,050	16,050	16,050	16,050	16,700	183,255	211,520	267,379
Economic and environmental services	97,614	96,747	96,747	96,747	96,747	96,747	96,747	96,747	96,747	96,747	96,747	150,978	1,216,060	1,145,154	1,151,188
Planning and development	3,849	2,982	2,982	2,982	2,982	2,982	2,982	2,982	2,982	2,982	2,982	27,520	61,192	26,437	31,347
Road transport	93,755	93,755	93,755	93,755	93,755	93,755	93,755	93,755	93,755	93,755	93,755	123,450	1,154,754	1,118,597	1,119,715
Environmental protection	10	10	10	10	10	10	10	10	10	10	10	8	114	120	126
Trading services	1,582,846	1,432,152	1,925,509	1,371,379	1,627,114	1,540,179	1,146,665	1,110,003	1,342,671	1,005,953	1,414,710	2,372,767	17,871,950	19,559,170	21,425,570
Electricity	1,100,695	903,613	1,443,358	889,228	1,098,576	1,058,029	664,515	561,464	860,520	523,803	932,560	1,948,496	12,004,860	13,097,498	14,202,610
Water	302,073	399,832	302,073	302,073	399,832	302,073	302,073	399,832	302,073	302,073	302,073	259,964	3,686,041	4,084,115	4,387,025
Waste water management	89,029	77,658	89,029	89,029	77,658	89,029	89,029	77,658	89,029	89,029	89,029	77,658	862,863	927,578	997,149
Waste management	111,049	111,049	111,049	111,049	111,049	111,049	111,049	111,049	111,049	111,049	111,049	86,650	1,308,185	1,449,979	1,538,796
Other	1,514	2,019	2,019	2,272	2,524	1,262	3,281	2,019	1,767	2,019	2,019	2,464	25,180	26,470	27,770
Total Revenue - Standard	2,216,083	2,139,158	2,523,879	2,051,392	2,306,622	2,225,913	1,844,503	1,794,895	2,029,377	1,690,469	2,193,489	3,313,291	26,329,081	28,235,863	30,158,747
Expenditure - Standard															
Governance and administration	171,495	171,495	171,495	171,495	171,495	171,495	171,495	171,495	171,495	171,495	171,495	1,041,125	2,927,566	3,227,420	3,408,721
Executive and council	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	22,142	207,280	460,847	467,411	516,355
Budget and treasury office	72,619	72,619	72,619	72,619	72,619	72,619	72,619	72,619	72,619	72,619	72,619	644,501	1,443,314	1,607,759	1,686,952
Corporate services	338,032	338,032	338,032	338,032	338,032	338,032	338,032	338,032	338,032	338,032	338,032	189,344	1,033,405	1,132,251	1,203,414
Community and public safety	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	23,552	26,714	285,566	304,712	324,087
Community and social services	88,668	88,668	88,668	88,668	88,668	88,668	88,668	88,668	88,668	88,668	88,668	71,110	826,456	884,908	939,715
Sport and recreation	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	115,582	1,420,950	1,517,142	1,617,045
Public safety	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	36,347	220,056	619,876	500,742	515,959
Housing	90,906	90,906	90,906	90,906	90,906	90,906	90,906	90,906	90,906	90,906	90,906	80,567	1,080,535	1,168,954	1,237,471
Health	156,760	156,760	156,760	156,760	156,760	156,760	156,760	156,760	156,760	156,760	156,760	56,678	1,781,039	1,847,760	1,946,842
Economic and environmental services	22,750	22,750	22,750	22,750	22,750	22,750	22,750	22,750	22,750	22,750	22,750	34,873	285,120	272,400	287,864
Planning and development	127,954	127,954	127,954	127,954	127,954	127,954	127,954	127,954	127,954	127,954	127,954	8,885	1,416,363	1,491,969	1,574,109
Road transport	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	12,921	79,536	83,391	87,669
Environmental protection	789,213	1,652,928	1,769,525	1,798,525	1,347,634	1,395,292	1,103,508	1,122,898	1,216,411	1,160,258	1,304,244	1,010,791	15,671,626	17,009,470	18,303,268
Electricity	396,268	1,223,351	1,376,580	1,405,981	918,056	1,002,346	710,563	737,002	823,466	767,313	911,299	446,687	10,712,910	11,575,808	12,432,822
Water	263,555	285,250	263,555	263,555	285,250	263,555	263,555	241,968	263,555	263,555	263,555	330,736	3,171,245	3,487,111	3,783,676
Waste water management	39,499	44,436	39,499	39,499	44,436	39,499	39,499	44,436	39,499	39,499	39,499	44,413	483,712	529,730	568,975
Waste management	99,891	99,891	99,891	99,891	99,891	99,891	99,891	99,891	99,891	99,891	99,891	194,954	1,293,758	1,416,822	1,517,795
Other	1,138	1,138	1,138	1,138	1,138	1,138	1,138	1,138	1,138	1,138	1,138	7,802	20,323	21,643	22,991
Total Expenditure - Standard	1,456,638	2,320,353	2,436,950	2,466,351	2,015,059	2,062,717	1,770,933	1,790,323	1,883,836	1,827,683	1,971,669	2,631,426	24,633,937	26,482,750	28,319,099
Surplus/(Deficit) before assoc.	759,444	(181,195)	88,930	(414,959)	291,564	163,196	73,570	4,573	145,541	(137,214)	221,829	681,866	1,695,144	1,753,113	1,839,648
Share of surplus/(deficit) of associate															
Surplus/(Deficit)	759,444	(181,195)	88,930	(414,959)	291,564	163,196	73,570	4,573	145,541	(137,214)	221,829	681,866	1,695,144	1,753,113	1,839,648

Table 51 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

R thousand	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 - Executive and Council	1,295	8,161	16,227	18,203	22,099	22,614	13,272	22,422	28,561	32,960	40,893	168,038	394,543	354,485	330,105
	Vote 2 - Finance and Corporate Services	1,093	6,889	13,697	15,365	19,654	19,088	11,203	18,926	24,108	27,821	34,349	141,839	333,031	505,000	629,000
	Vote 3 - Energy	1,346	8,483	16,867	18,920	22,971	23,505	13,796	23,306	29,688	34,260	42,297	174,663	410,100	423,117	379,300
	Vote 4 - Water and Sanitation	235	1,483	2,949	3,308	4,016	4,075	2,412	4,075	5,190	5,990	7,395	30,537	71,700	87,500	124,000
	Vote 5 - Waste Management	228	1,439	2,860	3,209	3,896	3,966	2,340	3,952	5,035	5,810	7,173	29,622	69,550	120,000	175,000
	Vote 6 - Human Settlements															
	Vote 7 - City Planning	217	1,366	2,717	3,048	3,700	3,754	2,222	3,754	4,782	5,518	6,813	28,133	66,055	51,200	60,500
	Vote 8 - Economic Development	113	711	1,413	1,585	1,924	1,969	1,156	1,952	2,487	2,870	3,543	14,632	34,354	56,285	57,700
	Vote 9 - Disaster and Emergency Management Services	470	2,962	5,889	6,607	8,021	8,208	4,817	8,138	10,366	11,963	14,770	60,989	143,200	66,000	59,911
	Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	241	1,518	3,019	3,387	4,112	4,208	2,469	4,172	5,314	6,133	7,571	31,266	73,410	116,050	154,400
	Vote 11 - Health and Social Development	161	1,015	2,018	2,264	2,749	2,813	1,651	2,789	3,553	4,100	5,062	20,903	49,078	57,600	90,500
	Vote 12 - Environmental Resource Management	90	566	1,124	1,261	1,531	1,567	920	1,554	1,979	2,284	2,820	11,644	27,340	28,160	28,640
	Vote 13 - Ekurhuleni Metropolitan Police Department (E)	1,162	7,324	14,563	16,336	19,833	20,284	11,911	20,122	25,632	29,580	36,520	150,805	354,082	336,741	312,448
	Vote 14 - Transport Planning & Provisioning	2,076	13,084	26,015	29,183	35,430	35,947	21,279	35,947	45,791	52,843	65,241	289,406	632,550	510,550	650,500
	Vote 15 - Roads and Stormwater	8,726	55,001	109,359	122,675	148,936	152,402	89,447	151,108	192,487	222,131	274,247	1,132,476	2,658,994	2,812,689	3,052,004
	Capital multi-year expenditure sub-total															
	Single-year expenditure to be appropriated															
	Vote 1 - Executive and Council	39	246	490	549	667	682	400	676	862	994	1,228	5,070	11,903	6,683	10,683
	Vote 2 - Finance and Corporate Services	180	1,133	2,253	2,527	3,068	3,139	1,843	3,113	3,965	4,576	5,649	23,328	54,774	28,388	30,880
	Vote 3 - Energy	68	429	852	956	1,161	1,188	697	1,177	1,500	1,731	2,137	8,825	20,720	21,150	21,760
	Vote 4 - Water and Sanitation	28	178	354	397	482	493	289	489	623	718	887	3,663	8,600	8,600	10,560
	Vote 5 - Waste Management	159	1,000	1,988	2,230	2,707	2,770	1,626	2,747	3,499	4,038	4,985	20,595	48,332	54,417	39,800
	Vote 6 - Human Settlements	3	20	40	45	55	56	33	56	71	82	101	417	980	980	1,080
	Vote 7 - City Planning	12	79	156	175	213	218	128	216	275	317	392	1,618	3,800	4,100	4,400
	Vote 8 - Economic Development	8	51	101	114	138	141	83	140	178	206	254	1,050	2,465	1,370	1,740
	Vote 9 - Disaster and Emergency Management Services	113	714	1,419	1,592	1,933	1,978	1,161	1,961	2,498	2,883	3,560	14,699	34,513	33,010	39,080
	Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	80	504	1,001	1,123	1,364	1,396	819	1,384	1,763	2,034	2,511	10,371	24,350	25,400	24,000
	Vote 11 - Health and Social Development	59	372	740	830	1,008	1,032	606	1,023	1,303	1,504	1,857	7,666	18,000	13,150	9,400
	Vote 12 - Environmental Resource Management	114	716	1,423	1,597	1,939	1,984	1,164	1,967	2,505	2,891	3,570	14,741	34,610	33,420	57,045
	Vote 13 - Ekurhuleni Metropolitan Police Department (E)	78	492	979	1,098	1,333	1,364	800	1,352	1,723	1,988	2,454	10,134	23,795	26,990	27,395
	Vote 14 - Transport Planning & Provisioning	64	404	804	902	1,095	1,121	658	1,111	1,415	1,633	2,017	8,327	19,552	36,252	4,600
	Vote 15 - Roads and Stormwater	51	322	639	717	871	891	523	893	1,125	1,299	1,603	6,621	15,545	14,200	34,400
	Capital single-year expenditure sub-total	1,056	6,659	13,241	14,833	18,032	18,452	10,630	18,295	23,305	26,895	33,205	137,115	321,939	307,110	316,823
	Total Capital Expenditure	9,782	61,660	122,599	137,528	166,968	170,854	100,277	169,403	215,793	249,025	307,452	1,269,591	2,980,933	3,119,799	3,368,826

Table 52 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

R thousand	Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
		July	Aug	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15		
	Capital Expenditure - Standard																
	<i>Governance and administration</i>	1,514	9,540	18,969	21,279	25,834	26,435	15,515	26,211	33,388	38,530	47,570	196,435	461,220	389,556	371,678	
	Executive and council	76	477	949	1,065	1,293	1,323	776	1,312	1,671	1,928	2,381	9,831	23,083	37,493	111,523	
	Budget and treasury office	917	5,781	11,494	12,894	15,654	16,018	9,401	15,882	20,231	23,347	28,825	119,029	279,474	205,023	205,190	
	Corporate services	521	3,282	6,525	7,320	8,887	9,094	5,337	9,017	11,496	13,255	16,364	67,575	158,663	147,040	54,965	
	Community and public safety	1,710	10,775	21,425	24,034	29,179	29,858	17,524	29,604	37,711	43,518	53,729	221,867	520,933	559,050	713,231	
	Community and social services	461	2,908	5,782	6,486	7,875	8,058	4,729	7,990	10,177	11,745	14,500	59,878	140,690	115,825	157,036	
	Sport and recreation	323	2,035	4,047	4,540	5,512	5,640	3,310	5,592	7,123	8,220	10,149	41,909	98,400	48,600	63,500	
	Public safety	394	2,482	4,956	5,536	6,722	6,878	4,037	6,820	8,687	10,025	12,377	51,110	120,003	144,445	152,815	
	Housing	231	1,459	2,901	3,254	3,951	4,042	2,373	4,008	5,106	5,892	7,274	30,039	70,530	120,980	176,080	
	Health	300	1,891	3,759	4,217	5,120	5,239	3,075	5,195	6,617	7,636	9,428	38,932	91,410	129,200	163,800	
	Economic and environmental services	3,574	22,529	44,795	50,250	61,007	62,427	36,639	61,897	78,846	90,989	112,337	463,883	1,089,172	1,057,258	1,062,908	
	Planning and development	181	1,142	2,270	2,546	3,092	3,164	1,857	3,137	3,996	4,611	5,693	23,508	55,195	42,520	50,040	
	Road transport	3,353	21,134	42,021	47,138	57,229	58,561	34,370	58,064	73,964	85,355	105,381	435,158	1,021,729	996,743	1,001,948	
	Environmental protection	40	253	504	565	686	702	412	696	887	1,023	1,283	5,216	12,248	17,995	10,920	
	Trading services	2,929	18,461	36,706	41,175	49,990	51,153	30,023	50,719	64,608	74,557	92,050	380,112	892,483	1,099,784	1,204,410	
	Electricity	1,161	7,317	14,549	16,321	19,814	20,275	11,900	20,103	25,608	29,552	36,486	150,864	353,751	526,150	650,760	
	Water	787	4,958	9,858	11,059	13,426	13,759	8,063	13,622	17,352	20,024	24,723	102,089	239,700	287,500	314,050	
	Waste water management	587	3,703	7,362	8,258	10,026	10,259	6,021	10,172	12,968	14,964	18,462	76,237	179,000	144,217	75,800	
	Waste management	394	2,483	4,937	5,538	6,723	6,880	4,038	6,821	8,689	10,027	12,380	51,122	120,032	141,917	163,800	
	Other	56	354	704	700	959	982	576	973	1,240	1,431	1,766	7,294	17,125	14,150	16,600	
	Total Capital Expenditure - Standard	9,782	61,660	122,599	137,528	166,968	170,854	100,277	169,403	215,793	249,025	307,452	1,269,591	2,980,933	3,119,799	3,368,826	

Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework	
	Consolidated budgeted monthly cash flow												Budget Year 2013/14	Budget Year +1 2014/15
	July	August	Sept	October	November	December	January	February	March	April	May	June	2013/14	2014/15
R thousand													R 1.00	
Cash Receipts by Source														
Property rates	279,441	279,441	279,441	279,441	279,441	279,441	279,441	279,441	279,441	279,441	279,441	213,927	3,287,778	3,876,698
Property rates - penalties & collection charges	5,197	5,197	5,197	5,197	5,197	5,197	5,197	5,197	5,197	5,197	5,197	5,222	62,392	67,071
Service charges - electricity revenue	894,255	1,123,695	1,080,147	762,695	872,662	739,713	795,611	687,542	716,383	736,131	795,557	1,479,588	10,673,969	11,511,074
Service charges - water revenue	191,541	111,632	139,272	311,253	389,139	239,426	204,730	191,541	107,201	151,555	148,970	237,988	2,394,257	2,633,663
Service charges - sanitation revenue	56,172	26,687	80,246	80,246	80,246	87,190	88,271	76,621	16,049	69,022	60,960	80,772	802,463	862,348
Service charges - refuse revenue	75,880	80,439	91,972	89,630	84,880	91,529	80,779	94,958	90,794	79,008	92,645	114,910	1,067,475	1,180,975
Service charges - other	5,812	5,812	5,812	5,812	5,812	5,812	5,812	5,812	5,812	5,812	5,812	5,840	69,772	73,330
Rental of facilities and equipment	5,092	5,092	5,092	5,092	5,092	5,092	5,092	5,092	5,092	5,092	5,092	5,116	61,127	64,650
Interest earned - external investments	16,295	16,295	16,295	16,295	16,295	16,295	16,295	16,295	16,295	16,295	16,295	16,373	195,615	215,177
Interest earned - outstanding debtors	16,803	16,803	16,803	16,803	16,803	16,803	16,803	16,803	16,803	16,803	16,803	16,883	201,712	220,665
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	15,424	15,424	15,424	15,424	15,424	15,424	15,424	15,424	15,424	15,424	15,424	15,488	185,168	194,602
Licence and permits	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,263	38,985	40,973
Agency services	20,496	20,496	20,496	20,496	20,496	20,496	20,496	20,496	20,496	20,496	20,496	20,595	246,055	258,603
Transfer receipts - operational	866,672	58,274	58,274	58,274	697,592	58,274	58,274	58,274	537,762	58,274	58,274	60,819	2,621,040	2,572,624
Other revenue	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	1,450,670	1,547,796
Cash Receipts by Source	2,449,086	2,241,125	1,822,479	1,674,705	2,467,086	2,056,549	1,600,232	1,481,502	2,308,606	1,466,557	1,518,973	2,281,565	23,368,467	25,050,121
Other Cash Flows by Source														
Transfer receipts - capital	352,396	-	-	677,021	-	-	90,176	586,845	-	-	-	(15,000)	1,691,438	1,750,190
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	3,179	3,179	3,179	3,179	3,179	3,179	3,179	3,179	3,179	3,179	3,179	3,179	785,000	997,106
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	9,464	9,464	9,464	9,464	9,464	9,464	9,464	9,464	9,464	9,464	9,464	9,464	113,565	(57,256)
Total Cash Receipts by Source	2,814,125	2,253,768	1,835,122	2,364,369	2,479,729	2,066,192	1,703,052	2,080,990	2,321,249	1,531,616	1,531,616	2,279,208	25,996,622	27,782,117
Cash Payments by Type														
Employee related costs	417,626	417,626	417,626	417,626	417,626	417,626	417,626	417,626	417,626	417,626	417,626	417,626	5,011,715	5,366,374
Remuneration of councillors	8,107	8,107	8,107	8,107	8,107	8,107	8,107	8,107	8,107	8,107	8,107	8,111	97,286	103,707
Finance charges	43,032	7,063	42,880	10,606	53,177	65,622	43,032	-	63,726	10,391	52,907	292,778	695,215	924,964
Bulk purchases - Electricity	510,385	887,341	797,659	995,251	513,302	471,013	487,053	457,159	480,491	514,031	543,925	633,607	7,291,216	7,874,513
Bulk purchases - Water & Sewer	167,646	291,465	262,007	325,910	188,604	154,714	159,982	150,163	157,827	168,844	178,663	208,121	2,394,948	2,622,666
Other materials	154,082	154,082	154,082	154,082	154,082	154,082	154,082	154,082	154,082	154,082	154,082	154,156	1,849,055	1,944,014
Contracted services	67,596	67,596	67,596	67,596	67,596	67,596	67,596	67,596	67,596	67,596	67,596	66,929	810,480	876,846
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	83,637	83,637	83,637	83,637	83,637	83,637	83,637	83,637	83,637	83,637	83,637	83,677	1,003,679	1,077,451
Other expenditure	225,345	225,345	225,345	225,345	225,345	225,345	225,345	225,345	225,345	225,345	225,345	161,843	2,640,640	2,650,131
Cash Payments by Type	1,677,456	2,142,262	2,058,939	2,289,161	1,691,476	1,647,741	1,646,461	1,565,715	1,658,437	1,949,659	1,731,888	2,027,048	21,764,243	23,340,666
Other Cash Flows/Payments by Type														
Capital assets	9,823	61,918	123,113	138,105	167,669	171,570	100,697	170,114	216,697	250,070	308,741	1,262,415	2,980,933	3,119,799
Repayment of borrowing	21,608	-	-	3,694	3,639	70,944	-	-	7,825	3,909	36,529	427,965	576,113	178,648
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	1,708,888	2,204,181	2,182,052	2,430,959	1,862,783	1,890,255	1,747,158	1,733,829	1,882,960	1,903,637	2,077,157	3,717,428	25,341,288	28,581,685
NET INCREASE/(DECREASE) IN CASH HELD	1,105,237	49,587	(346,931)	(66,590)	616,946	(179,936)	(44,106)	347,161	438,290	360,563	(545,541)	(1,438,219)	655,334	1,143,003
Cash/cash equivalents at the month/year begin:	2,982,384	4,087,621	4,137,208	3,790,277	3,723,688	4,340,634	4,519,570	4,475,464	4,822,625	5,260,914	5,621,478	5,075,937	2,982,384	3,637,717
Cash/cash equivalents at the month/year end:	4,087,621	4,137,208	3,790,277	3,723,688	4,340,634	4,519,570	4,475,464	4,822,625	5,260,914	5,621,478	5,075,937	3,637,717	4,780,720	5,968,429

2.10 Annual budgets and SDBIPs – internal departments

2.10.1 City Manager

The budgets of the following departments have been clustered into the budget of the City Manager:

- Office of City Manager
- Office of Chief Operating Officer
- Executive Support
- City Secretariat
- Communications and Marketing
- Institutional Strategy, Monitoring and Evaluation and Research
- Internal Audit
- Risk Management
- Enterprise Programme Management Office
- Customer Relations Management
- Urban Management
- Urban Renewal

Each department will retain their respective individual cost centres to ensure accountability, but reporting will be done in a consolidated manner.

R101m has been provided in the Operating Budget for the Lungile Mtshali Programme. This programme will ensure that projects of high priority (and visibility) will be implemented in each at the 101 ward to the value of R1m.

Operating budget of the City Manager

The main cost drivers of relevant departments are salaries and office overhead costs.

Capital budget of the departments within the City Manager

City Manager

An amount of R440 000 for the 2013/14, R220 000 for the 2014/15 and R180 000 for the 2015/16 financial years have been provided for operational equipment for the City Manager.

Chief Operating Officer

An amount of R120 000 for the 2013/14, R80 000 for the 2014/15 and R80 000 for the 2015/16 financial years have been provided for operational equipment for the Chief Operating Officer

Communications and Marketing Department

An amount of R280 000 for the 2013/14, R290 000 for the 2014/15 and R310 000 for the 2015/16 financial years have been provided for operational equipment for the Communications and Marketing Department.

Institutional Strategy, Monitoring & Evaluation and Research Department

An amount of R560 000 for the 2013/14, R260 000 for the 2014/15 and R260 000 for the 2015/16 financial years have been provided for operational equipment for the Institutional Strategy, M & E and Research department.

Capital budget of the Internal Audit Department

An amount of R361 000 for the 2013/14, R388 000 for the 2014/15 and R404 500 for the 2015/16 financial years have been provided for operational equipment for the Internal Audit department.

Capital budget of the Risk Management Department

An amount of R220 000 for the 2013/14, R180 000 for the 2014/15 and R180 000 for the 2015/16 financial years have been provided for operational equipment for the Risk Management department.

The above amounts have been provided to operationalize the offices of senior management and newly appointed divisional heads. Future amounts are mainly for the replacement of ICT equipment as it becomes obsolete and not necessarily furniture.

Customer Relations Management Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	51,400,000	-	-
Revenue	13,993,489	850,000	850,000
Other Loan Funding	-	42,850,000	15,000,000
Total	65,393,489	43,700,000	15,850,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Corporate	33,000,000	14,600,000	15,000,000
Daveyton	5,500,000	4,000,000	-
Nigel	7,000,000	4,500,000	-
Operational Equipment	850,000	850,000	850,000
Tembisa	6,143,489	7,500,000	-
Tembisa 2	10,000,000	11,500,000	-
Vosloorus	2,900,000	750,000	-
Total	65,393,489	43,700,000	15,850,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	33,000,000	14,600,000	15,000,000
CBD / Developed, Residential	7,000,000	4,500,000	-
Operational Equipment	850,000	850,000	850,000
Underdeveloped	24,543,489	23,750,000	-
Total	65,393,489	43,700,000	15,850,000

Expected outcomes from the implementation of the Capital budget of CRM

The total budget for the department is R65,3m.

- R31,5m has been provided for the upgrades of 5 CCA buildings
 - Daveyton – R5,5m
 - Tembisa 2 – R10m
 - Nigel – R7m
 - Vosloorus – R2,9m
 - Tembisa – R6,1m
- A further amount of R18m has been provided for the upgrades of CCA Brownfield buildings
- An amount of R15m has been allocated to the Unified Command Centre (UCC). This project was previously under the ICT vote and will henceforth form part of the CRM budget.

Table 54: Operating budget of the City Manager

CITY MANAGER'S OFFICE											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14					2014/15	2015/16
INCOME											
Operating Grants & Subsidies - Other	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Finance Management Grant	-	7,800	1,538	7,800	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Operating Grants	-	7,800	1,538	7,800	-	-	-100.00%	0.00%	0.00%	-	-
Other Sundry Income	3	3	1,458	1,232	2	2	-26.40%	-99.82%	100.00%	2	2
Sub-Total: Other Income	3	3	1,458	1,232	2	2	-26.40%	-99.82%	100.00%	2	2
TOTAL OPERATING INCOME	3	7,803	2,996	9,032	2	2	-99.97%	100.00%	100.00%	2	2
Internal Recoveries	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	3	7,803	2,996	9,032	2	2	-99.97%	100.00%	100.00%	2	2
EXPENDITURE											
Employee Related Costs - Salaries & Wages	122,119	123,764	58,239	102,323	160,587	160,587	29.75%	56.94%	46.16%	171,186	182,142
Employee Related Costs - Overtime	733	733	946	368	788	788	7.50%	114.32%	0.23%	840	893
Employee Related Costs - Social Contributions	19,995	19,995	10,378	18,048	20,550	20,550	2.78%	13.86%	5.91%	21,906	23,308
Employee Related Costs - Salaries Capitalised	(2,970)	(2,970)	-	(2,970)	(3,262)	(3,262)	9.83%	9.83%	-0.94%	(3,478)	(3,700)
Sub-Total: Remuneration	139,877	141,522	69,564	117,769	178,663	178,663	26.24%	51.71%	51.35%	190,455	202,944
Depreciation - Existing Assets	72,194	72,194	42,113	138,419	75,082	75,082	4.00%	-45.76%	21.58%	78,836	82,778
Sub-Total: Depreciation	72,194	72,194	42,113	138,419	75,082	75,082	4.00%	-45.76%	21.58%	78,836	82,778
Repairs and Maintenance - External Contractors	7,267	7,360	2,166	5,257	7,267	7,267	-1.27%	38.23%	2.09%	7,638	8,012
Repairs and Maintenance - Internal Maintenance Teams	623	750	235	714	685	685	-8.66%	-4.09%	0.20%	730	777
Sub-Total: Repairs and Maintenance	7,890	8,110	2,401	5,971	7,952	7,952	-1.95%	33.17%	2.29%	8,368	8,789
Contracted Services - Existing Contracts	1,179	1,754	430	752	995	995	-43.25%	32.39%	0.29%	1,831	1,977
Sub-Total: Contracted Services	1,179	1,754	430	752	995	995	-43.25%	32.39%	0.29%	1,831	1,977
General Expenses	97,887	123,252	23,012	71,657	85,211	85,211	-30.86%	18.92%	24.49%	87,106	91,561
Grants Expenditure	-	7,800	1,538	7,800	-	-	-100.00%	0.00%	0.00%	-	-
TOTAL OPERATING EXPENDITURE	319,026	354,631	139,058	342,368	347,903	347,903	-1.90%	1.62%	100.00%	366,595	387,748
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	319,026	354,631	139,058	342,368	347,903	347,903	-1.90%	1.62%	100.00%	366,595	387,748
OPERATING SURPLUS/(DEFICIT)	(319,023)	(346,828)	(136,062)	(333,336)	(347,901)	(347,901)	0.31%	4.37%		(366,592)	(387,746)
Total Transfers from Cash-Backed Reserves	5,806	5,806	3,387	5,806	6,096	6,096	5.00%	5.00%		6,401	6,721
NET OPERATING SURPLUS/ (DEFICIT)	(313,217)	(341,022)	(132,676)	(327,530)	(341,805)	(341,805)	0.23%	4.36%		(360,191)	(381,024)

2.10.2 City Planning

The result statements of the department are contained in the IDP in Annexure A.

Key Strategic Projects of the City Planning Department

Project Name	Brief Description	Project Status/Progress	2013/14 Financial Implications
Development of Regional Spatial Development Frameworks (RSDFs) for Regions B, C, D, E & F and Review of the Metropolitan Spatial Development Framework (MSDF).	The aim of the project is to develop Regional Spatial Development Frameworks and review the current (2011) MSDF to give context to urban design, city form and city identity for the metro.	The SCM process for the appointment of service provider to undertake this project on behalf of the department is on course and has reached the Bid Adjudication Committee which has referred the item back for auditing due to the magnitude/nature of the project.	R12m
Development of identified Strategic Land Parcels	<p>The aim is to mobilise private sector investors to partner with the metro to maximise the potential land asset value and attract more investment in order for Ekurhuleni to achieve its developmental objectives that would result in economic growth, poverty alleviation</p> <p>It is the intention of Ekurhuleni metropolitan municipality to package land for development to alter the metro's spatial landscape and optimize urban development by maximising the potential of strategic developable land and property through partnership with private sector, lease or outright disposal of the land and property assets.</p>	25 Strategic Land Parcels and Development Areas owned by council have been identified.	R5m

Project 1: Development of RSDFs for Regions B, C, D, E & F and Review of the MSDF

The SCM process for the appointment of service provider to undertake this project on behalf of the department is on course and has reached the Bid Adjudication Committee which has referred the item back for auditing due to the magnitude/nature of the project. It is the intention of City Planning department to appoint a multidisciplinary team/company led by one project manager to draft of five (5) Regional Spatial Development Frameworks (RSDFs) and the further consolidation of all with sixth Regional Spatial Development Framework (RSDF) and the ultimate review of the Metropolitan Spatial Development Framework (MSDF). The projects is expected to take a maximum of 18 months starting in the current 2012/2013 financial year.

Project 2: Development of identified Strategic Land Parcels

The 25 identified strategic land parcels when approved by Mayoral Committee and then Council will undergo the process of in-depth analysis, land packaging and profiling by a team of expertise to inform if the metro's objective of their development will be realised. There is currently a draft scope of work whose one of the expected deliverables by the to-be appointed service provider is development of business plans for the approved land parcels. The outcomes would also inform council which land parcels would proceed to the tender phase to solicit the best possible proposal through Requests for Proposals (RFPs). Business Plans for each land parcel will be available upon the completion of the work to be conducted by the service provider to be appointed. The project duration is expected to be take a maximum of 15 Months

The operating budget per category is attached hereto.

Table 55: Operating budget of the City Planning Department

CITY PLANNING												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16				2014/15	2015/16
INCOME												
Licenses & Permits	1,891	1,891	1,325	1,712	2,004	2,106	2,209	5.98%	17.04%	7.72%	2,106	2,209
Finance Management Grant	-	-	-	-	23,808	-	-	100.00%	100.00%	91.79%	-	-
Sub-Total: Operating Grants	-	-	-	-	23,808	-	-	100.00%	100.00%	91.79%	-	-
Other Sundry Income	122	122	69	70	125	131	138	2.27%	78.70%	0.48%	131	138
Sub-Total: Other Income	122	122	69	70	125	131	138	2.27%	78.70%	0.48%	131	138
TOTAL OPERATING INCOME	2,013	2,013	1,394	1,782	25,937	2,237	2,347	1188.58%	1355.62%	100.00%	2,237	2,347
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	2,013	2,013	1,394	1,782	25,937	2,237	2,347	1188.58%	1355.62%	100.00%	2,237	2,347
EXPENDITURE												
Employee Related Costs - Salaries & Wages	75,148	75,148	39,379	67,484	82,854	88,323	93,975	10.25%	22.78%	44.69%	88,323	93,975
Employee Related Costs - Overtime	38	38	44	31	41	43	46	7.49%	32.74%	0.02%	43	46
Employee Related Costs - Social Contributions	16,777	16,777	8,820	15,920	17,353	18,498	19,682	3.43%	9.00%	9.36%	18,498	19,682
Employee Related Costs - Salaries Capitalised	(279)	(279)	-	(279)	(307)	(327)	(348)	9.83%	9.83%	-0.17%	(327)	(348)
Sub-Total: Remuneration	91,683	91,683	48,243	83,155	99,941	106,537	113,356	9.01%	20.19%	53.91%	106,537	113,356
Depreciation - Existing Assets	1,279	1,279	746	1,792	1,330	1,396	1,466	4.00%	-25.78%	0.72%	1,396	1,466
Sub-Total: Depreciation	1,279	1,279	746	1,792	1,330	1,396	1,466	4.00%	-25.78%	0.72%	1,396	1,466
Repairs and Maintenance - External Contractors	533	503	229	314	22,475	23,622	24,779	4365.98%	7052.24%	12.12%	23,622	24,779
Repairs and Maintenance - Internal Maintenance Teams	114	198	86	170	108	115	122	-45.80%	-36.79%	0.06%	115	122
Sub-Total: Repairs and Maintenance	647	702	315	484	22,583	23,736	24,901	3118.72%	4562.77%	12.18%	23,736	24,901
Contracted Services - Existing Contracts	368	398	167	360	328	354	383	-17.58%	-8.97%	0.18%	354	383
Sub-Total: Contracted Services	368	398	167	360	328	354	383	-17.58%	-8.97%	0.18%	354	383
General Expenses	10,645	10,685	3,919	6,170	37,403	37,807	39,672	250.07%	506.18%	20.18%	37,807	39,672
Grants Expenditure	-	-	-	-	23,808	-	-	100.00%	100.00%	12.84%	-	-
TOTAL OPERATING EXPENDITURE	104,621	104,746	53,389	91,962	185,393	169,831	179,777	76.99%	101.60%	100.00%	169,831	179,777
Internal Transfers:												
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	104,621	104,746	53,389	91,962	185,393	169,831	179,777	76.99%	101.60%	100.00%	169,831	179,777
OPERATING SURPLUS/(DEFICIT)	(102,609)	(102,733)	(51,995)	(90,180)	(159,456)	(167,594)	(177,431)	55.21%	76.82%		(167,594)	(177,431)
Total Transfers from Cash-Backed Reserves	1,334	1,334	778	1,334	1,401	1,471	1,544	5.00%	5.00%		1,471	1,544
NET OPERATING SURPLUS/(DEFICIT)	(101,275)	(101,399)	(51,217)	(88,846)	(158,056)	(166,123)	(175,887)	55.87%	77.90%		(166,123)	(175,887)

Capital budget of the City Planning Department

An amount of R3.8 million for the 2013/14, R4.1 million for the 2014/15 and R4.4 million for the 2015/16 financial years have been provided for operational equipment for the City Planning department

2.10.3 Corporate Legal Services

The result statements of the department are contained in the IDP in Annexure A.

The Department Corporate Legal Services' mandated is to guide, advice and enhance good governance processes to all structures of Council. This mandate is achieved through proactive, professional and responsive Legal Support Services guided by legislative requirements.

Key Strategic Projects of the Corporate Legal Services Department

PROJECT NAME	PROJECT DESCRIPTION
Improved legal support services throughout EMM	The provision of quality legal advisory services and support on the local government legal framework to all structures of Council.
Improved legal compliance throughout EMM and its Entities	The development of a legal compliance system to provide guidance, direction and information on legal compliance by all EMM structures
Implementation of an integrated contract management system	The development of an integrated centralised contract management system to ensure legal compliant contracts that protect the interest of the EMM
Compliance with the requirements of the records management processes.	Adherence by all structures of council with national legislation on records management and the development of an electronic records management system
Establishment of a municipal court system	Research and development to enable the establishment of municipal courts throughout the municipal area.
Improved departmental, administrative and support services rendered	Provision of departmental support services conducive to efficient and effective rendering of professional legal services

Operating budget of the Corporate Legal Services Department

The cost drivers in the Corporate and Legal Department are mainly staff related and office overheads. The biggest single cost item is contained in the contracted services category, being Contracts: Legal Services. The cost of legal fees has escalated significantly during the last three financial years and this has been identified as an area where curtailment of costs must take place.

Financial Year	Actual Expenditure	Projected Expenditure
2006/2007	8,125,988	
2007/2008	11,655,800	
2008/2009	13,745,556	

2009/2010	12,801,287	
2010/2011	21,852,032	
2011/2012	33,382,114	
2012/2013 (until mid Feb)	25,743,459	55,000,000
2013/2014		55,000,000

The legal expenditure is determined by the number and magnitude of legal cases against Council. The costs may also be driven by the period and court levels it takes to resolve a particular case, which may invariably transcend more than one financial year. As an example, the original 2012/2013 budget of R30 million had to be increased through an adjustment budget to R 55 million due to major litigation cases by and against Council. Most of these costs are for litigation services provided by external legal practitioners as municipal legal staff do not have right of appearance.

In an endeavour to cut back on legal expenditure, the department will rigorously focus on cases by and against council by introducing a hands-on legal case management system which will generate constant reports on analysis of dispute, progress, costs, etc. Controllable staff related costs such as overtime are being reduced by closer monitoring and inter alia the optimal resourcing of legal staff to enable them to access legal information after hours without the need of overtime work.

Capital budget of the Corporate Legal Services Department

An amount of R5 million for the 2013/14, R4,9 million for the 2014/15 and R4.9 million for the 2015/16 financial years have been provided for operational equipment for the Corporate and Legal department.

Table 56: Operating budget of the Corporate Legal Services Department

CORPORATE LEGAL													
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16						
INCOME													
Rent of Facilities and Equipment - Other	25	25	843	108	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Sub-total: Rent of Facilities and Equipment	25	25	843	108	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Other Sundry Income	1,393	1,393	1,310	2,357	1,384	1,455	1,526		-0.62%	100.00%	100.00%	1,455	1,526
Sub-Total: Other Income	1,393	1,393	1,310	2,357	1,384	1,455	1,526		-0.62%	100.00%	100.00%	1,455	1,526
TOTAL OPERATING INCOME	1,418	1,418	2,153	2,466	1,384	1,455	1,526		-2.40%	100.00%	100.00%	1,455	1,526
Internal Recoveries	-	-	-	-	-	-	-		0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	1,418	1,418	2,153	2,466	1,384	1,455	1,526		-2.40%	100.00%	100.00%	1,455	1,526
EXPENDITURE													
Employee Related Costs - Salaries & Wages	121,613	121,613	65,038	110,762	132,365	141,101	150,132		8.84%	19.50%	41.39%	141,101	150,132
Employee Related Costs - Overtime	2,592	2,592	1,512	2,415	2,786	2,970	3,160		7.50%	15.38%	0.87%	2,970	3,160
Employee Related Costs - Social Contributions	30,190	30,190	16,505	28,613	32,524	34,670	36,889		7.73%	13.67%	10.17%	34,670	36,889
Employee Related Costs - Salaries Capitalised	(46)	(46)	-	(46)	(50)	(53)	(57)		9.83%	9.83%	-0.02%	(53)	(57)
Sub-Total: Remuneration	154,349	154,349	83,055	141,744	167,625	178,688	190,124		8.60%	18.26%	52.41%	178,688	190,124
Depreciation - Existing Assets	2,128	2,128	1,241	1,499	2,213	2,323	2,439		4.00%	47.60%	0.69%	2,323	2,439
Sub-Total: Depreciation	2,128	2,128	1,241	1,499	2,213	2,323	2,439		4.00%	47.60%	0.69%	2,323	2,439
Repairs and Maintenance - External Contractors	4,756	4,230	1,416	2,634	4,009	4,213	4,420		-5.24%	52.22%	1.25%	4,213	4,420
Repairs and Maintenance - Internal Maintenance Teams	684	1,614	1,114	1,376	697	742	790		-56.84%	-49.37%	0.22%	742	790
Sub-Total: Repairs and Maintenance	5,439	5,844	2,530	4,009	4,705	4,956	5,210		-19.48%	17.36%	1.47%	4,956	5,210
Contracted Services - Existing Contracts	34,767	59,582	25,798	33,689	59,108	63,837	68,944		-0.79%	75.45%	18.48%	63,837	68,944
Sub-Total: Contracted Services	34,767	59,582	25,798	33,689	59,108	63,837	68,944		-0.79%	75.45%	18.48%	63,837	68,944
Grants & Subsidies Paid - Social/Educational/Sports	6,170	6,170	2,419	5,808	6,497	6,828	7,163		5.29%	11.85%	2.03%	6,828	7,163
Sub-Total: Grants and Subsidies	6,170	6,170	2,419	5,808	6,497	6,828	7,163		5.29%	11.85%	2.03%	6,828	7,163
General Expenses	82,685	88,103	91,294	220,196	79,663	119,634	129,038		-9.58%	-63.82%	24.91%	119,634	129,038
TOTAL OPERATING EXPENDITURE	285,537	316,175	206,339	406,946	319,810	376,266	402,918		1.15%	-21.41%	100.00%	376,266	402,918
Internal Transfers:													
Internal Charges	-	-	-	-	-	-	-		0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	285,537	316,175	206,339	406,946	319,810	376,266	402,918		1.15%	-21.41%	100.00%	376,266	402,918
OPERATING SURPLUS/(DEFICIT)	(284,119)	(314,757)	(204,186)	(404,480)	(318,426)	(374,811)	(401,392)		1.17%	-21.28%		(374,811)	(401,392)
Total Transfers from Cash-Backed Reserves	1,560	1,560	910	1,560	1,638	1,720	1,806		5.00%	5.00%		1,720	1,806
NET OPERATING SURPLUS/(DEFICIT)	(282,559)	(313,196)	(203,276)	(402,920)	(316,788)	(373,091)	(399,585)		1.15%	-21.38%		(373,091)	(399,585)

2.10.4 Disaster and Emergency Management Services (DEMS)

The result statements of the department are contained in the IDP in Annexure A.

Disaster & Emergency Management Services Department provides the following services to the community of Ekurhuleni:

- Fire Fighting
- Fire Safety
- Rescue Services
- Emergency Medical Services
- Handling of hazardous material incidents.
- Emergency Call centre
- Disaster Management.

Key Strategic Projects of the Disaster and Emergency Management Services Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Construction of Duduza Fire Station	Commenced with the construction of Duduza Fire Station which is located in Ward 87. It is intended to service the community of Duduza, Jameson Park and ALRA Park.
Establishment of a Fire Station in Zonkizizwe.	Commenced with the construction of Zonkizizwe Fire Station which is located in Ward 62. It is intended to service the community of Zonkizizwe, Katlehong 2 and a backup for Palmridge and Katlehong 1.
Replacement of aged specialized emergency vehicles	Procurement of Specialized Emergency Vehicles. This is a metro wide project.
Construction of a Fire Station in Thokoza.	Thokoza has no purpose built Fire Station and operations are undertaken from a temporary facility at the Multipurpose Centre. This is a multi-year project that will commence during 2013/14 financial year and will be completed in 2015/16 financial year.
Establishment of a Fire Station in Kwa Thema.	Kwa Thema is currently not having a Fire Station in that area. Response to Emergency incidents is from the Selection Park Fire Station which is a distance from the area. It is a multi-year project which will be completed in 2014/2015 Financial Year. Construction of Kwa- Thema Fire Station as part of the City's programme of eradicating service delivery back logs and inequalities in the receipt of services.
Construction of the Germiston Fire Station.	The Construction of the New Fire Station in Germiston as part of Germiston Urban renewal Programme. The current Fire Station is more than 100 years old, no more feasible to maintain and is being preserved as a museum. It is a multi-year project to be completed in 2014/15.
Construction of the Albertina Sizulu Corridor Fire Station.	This Fire Station will be situated at the heart of the Aerotropolis. There are huge economic developments coming up in that corridor and the Kempton Park Fire

	Station which is far from this area is already not coping under the current circumstances. It will be concluded during the 2016/17 Financial year.
Construction of the Disaster Management Centre.	The Disaster Management Centre of the City is currently located at the department's Head Office in Bedfordview. The building is congested and has no potential for growth. The current centre had proven to be too small and needs to be relocated to a more spacious place where sufficient parking space amongst other constraints will be accommodated. The project is a multi-year and will be concluded in 2015/16 Financial Year.
Training of community members in Community Emergency Response Team (CERT) Programme	Community members are expected to be trained in Community Emergency Response Team (CERT) Programme. The said training include the following: <ul style="list-style-type: none"> ○ Basic Fire Fighting ○ First Aid

Operating budget of the Disaster and Emergency Management Services Department

This department is also partly funded by the Gauteng Provincial Government for the provision of the Ambulance Services. The majority of the cost of the department, however, is subsidised from assessment rates.

The main cost drivers are salaries and cost of provision of emergency services. The emergency services section operates on a 24/7 basis increasing the salary cost.

The provision of funds for disasters and emergency management is done within this cost centre. Disasters are dealt with as follows in terms of the MFMA. Section 12 of the MFMA outlines the process of setting up relief funds to deal with disasters. The following conditions apply:

- The bank account must be in the name of the municipality
- Only the City Manager may be the accounting officer of the fund
- Funds must be paid into either the municipality's bank account, or the new account opened for the specific purpose
- Funds may be withdrawn from the special purpose account WITHOUT it being appropriated in a budget, but only with the written authority of the accounting officer acting in accordance with a Council decision and for the purposes that the funds was deposited into the account.

Section 29 of the MFMA deals with the process related to unforeseen and unavoidable expenditure. The Mayor is authorised to authorise expenditure in emergency or other exceptional circumstances for unforeseeable and unavoidable expenditure for which no provision was made in an approved budget. Such expenditure

- Must be reported by the mayor to the municipal council at its next meeting
- Must be appropriated in an adjustments budget within 60 days after the expenditure was incurred.

There is however a need to have a model for funding disaster management in the City which is under investigation.

In addition, Council has catastrophe insurance in the case of natural disasters. Cover is limited to Council owned property and third party liability. There is no cover for privately owned property.

The Metro's declared asset values for assets that are insurable amounts to R34 billion. Excluded from these declared values and subsequently cover thereon are items such as roads, bridges, water and sewer network and electricity network (because you can either not source cover for these items or if you could it would simply be too expensive), however items such as sub stations, pump stations (in other words, machinery related) are covered.

Cover is capped at R1.5 billion any single event. Events covered are:

Fire and Allied Perils which means fire, spontaneous combustion, spontaneous fermentation, spontaneous charring, spontaneous heating, lightning, thunderbolt, explosions, implosions, earth quakes and tremors, riot and strike, malicious damage, volcanic eruptions, subsidence and landslip and acts of authorities.

Special Perils which means storm, wind, snow, water, hail, aircraft or other aerial devices or articles dropped there from, impact by vehicles (including railway) or animals, falling trees, accidental leakage from tanks, pipes etc.

The operating budget per category is attached hereto.

Table 57: Operating budget of the Disaster and Emergency Management Services Department

DISASTER & EMERGENCY MANAGEMENT SERVICES												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16	B to B	P to B	Of Total	2014/15	2015/16
INCOME												
Minor Income	8,477	8,477	6,908	11,027	9,096	9,096	9,096	7.30%	-17.51%	5.42%	9,560	10,028
Total: User Charges for Services	8,477	8,477	6,908	11,027	9,096	9,096	9,096	7.30%	-17.51%	5.42%	9,560	10,028
Rent of Facilities and Equipment - Other	0	0	-	-	0	0	0	10.00%	100.00%	0.00%	0	0
Sub-total: Rent of Facilities and Equipment	0	0	-	-	0	0	0	10.00%	100.00%	0.00%	0	0
Other Fines	32	32	-	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Fines	32	32	-	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Licenses & Permits	3,063	3,063	3,250	3,288	3,369	3,369	3,369	10.00%	2.47%	2.01%	3,541	3,715
Operating Grants & Subsidies - Other	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Emergency Services Subsidies	119,220	119,220	59,610	119,220	129,001	129,001	129,001	8.20%	8.20%	76.83%	136,040	143,250
Sub-Total: Operating Grants	119,220	119,220	59,610	119,220	129,001	129,001	129,001	8.20%	8.20%	76.83%	136,040	143,250
Municipal Infrastructure Grant for Cities	18,200	13,000	2,622	13,000	25,554	25,554	25,554	96.57%	96.57%	15.22%	30,000	22,550
Sub-Total: Capital Grants	18,200	13,000	2,622	13,000	25,554	25,554	25,554	96.57%	96.57%	15.22%	30,000	22,550
Other Sundry Income	661	661	1,600	1,753	880	880	880	33.14%	-49.80%	0.52%	925	970
Sub-Total: Other Income	661	661	1,600	1,753	880	880	880	33.14%	-49.80%	0.52%	925	970
TOTAL OPERATING INCOME	149,663	144,463	73,990	148,288	167,901	167,901	167,901	16.23%	13.23%	100.00%	180,066	180,513
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	149,663	144,463	73,990	148,288	167,901	167,901	167,901	16.23%	13.23%	100.00%	180,066	180,513
EXPENDITURE												
Employee Related Costs - Salaries & Wages	319,284	320,524	178,515	306,364	415,640	415,640	415,640	29.68%	35.67%	59.35%	443,072	471,429
Employee Related Costs - Overtime	50,885	49,645	32,344	40,552	53,368	53,368	53,368	7.50%	31.60%	7.62%	56,890	60,531
Employee Related Costs - Social Contributions	88,064	88,064	50,589	87,919	97,011	97,011	97,011	10.16%	10.34%	13.85%	103,414	110,032
Employee Related Costs - Salaries Capitalised	(4,257)	(4,257)	-	(4,257)	(4,676)	(4,676)	(4,676)	9.83%	9.83%	-0.67%	(4,985)	(5,304)
Sub-Total: Remuneration	453,975	453,975	261,448	430,578	561,343	561,343	561,343	23.65%	30.37%	80.15%	598,392	636,689
Bad Debts (Provision for Bad Debts) - current trends	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Bad Debt Provision	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Depreciation - Existing Assets	38,259	38,259	22,318	31,104	39,789	39,789	39,789	4.00%	27.92%	5.68%	41,778	43,867
Sub-Total: Depreciation	38,259	38,259	22,318	31,104	39,789	39,789	39,789	4.00%	27.92%	5.68%	41,778	43,867
Repairs and Maintenance - External Contractors	11,869	12,489	5,929	10,445	25,764	25,764	25,764	106.29%	146.67%	3.68%	27,078	28,405
Repairs and Maintenance - Internal Maintenance Teams	3,307	3,906	1,360	3,763	2,810	2,810	2,810	-28.07%	-25.34%	0.40%	2,995	3,187
Sub-Total: Repairs and Maintenance	15,176	16,395	7,289	14,208	28,574	28,574	28,574	74.28%	101.11%	4.08%	30,073	31,592
Contracted Services - Existing Contracts	144	302	115	282	29,223	29,223	29,223	9573.17%	10252.75%	4.17%	31,561	34,086
Sub-Total: Contracted Services	144	302	115	282	29,223	29,223	29,223	9573.17%	10252.75%	4.17%	31,561	34,086
General Expenses	32,583	33,235	21,297	23,422	41,438	41,438	41,438	24.68%	-82.32%	5.92%	50,450	54,008
TOTAL OPERATING EXPENDITURE	540,138	542,166	312,466	710,595	700,367	700,367	700,367	29.18%	-1.44%	100.00%	752,254	800,242
Internal Transfers:												
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	540,138	542,166	312,466	710,595	700,367	700,367	700,367	29.18%	-1.44%	100.00%	752,254	800,242
OPERATING SURPLUS/(DEFICIT)	(390,485)	(397,713)	(238,476)	(662,307)	(532,466)	(532,466)	(532,466)	33.88%	-5.31%		(572,188)	(619,729)
Contribution to Capital Budget	18,200	13,000	-	18,200	25,554	25,554	25,554	96.57%	40.41%		30,000	22,550
Total Transfers from Cash-Backed Reserves	6,252	6,252	3,647	6,252	6,565	6,565	6,565	5.00%	5.00%		6,893	7,238
NET OPERATING SURPLUS/ (DEFICIT)	(402,432)	(404,461)	(234,829)	(674,255)	(551,455)	(551,455)	(551,455)	36.34%	-3.97%		(595,295)	(635,041)

Capital budget of the Disaster and Emergency Management Services Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Revenue	13,513,240	9,395,080	29,230,000
Municipal bonds/Other loan funding	29,800,000	49,900,000	45,000,000
USDG	25,554,350	30,000,000	22,550,000
Total	68,867,590	89,295,080	96,780,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Boksburg	5,000,000	-	-
Corporate	3,500,000	3,800,000	2,800,000
Duduza	5,200,000	-	-
Edenvale	2,500,000	200,000	250,000
Germiston	6,300,000	28,344,920	23,000,000
Katlehong	-	-	1,550,000
Katlehong 2	5,600,000	-	-
Kempton Park		2,000,000	17,000,000
KwaThema	9,754,350	10,000,000	-
Operational Equipment	33,513,240	31,950,160	39,180,000
Tokoza	2,000,000	13,000,000	13,000,000
Total	68,867,590	89,295,080	96,780,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
CBD	3,300,000	9,344,920	19,000,000
CBD / Developed, Residential	7,000,000	24,800,000	23,800,000
Developed, Residential	2,500,000	200,000	250,000
Operational Equipment	33,513,240	31,950,160	39,180,000
Underdeveloped	22,554,350	23,000,000	14,550,000
Total	68,867,590	89,295,080	96,780,000

New facilities to be constructed with a significant impact on operating budgets of future years (2013/14 financial year)

The department is creating a number of new fire stations, but the renewal of current assets is limited to 3% and the replacement of vehicles 16%.

The Fire Brigade Services and Rescue Services are a competency of the Municipality in terms of the Constitution. The Municipality therefore has the responsibility to provide equitable distribution of resources within its jurisdiction to ensure that all communities have services throughout the Metro. There have been no Fire Stations in the Township in the past to provide these services. Furthermore, the growth of the City also impacts negatively on the existing resources thereby requiring more resources to be put in place.

Though the Ambulance Service is constitutionally a competency of the Provincial Government, it is run by the municipality as an integral part of the Fire Services in terms of the provisions of the Fire Brigade Services Act, 1987. The Service is subsidized by the Provincial Health Department as per the MOU between the two parties. As indicated above, Fire Stations are constructed to primarily provide Fire and Rescue Services which is a competency of the municipality.

In the period 2011/12 to 2015/16, the following Fire Stations are on the IDP:

- Duduza Fire Station
- Zonkizizwe Fire Station
- KwaThema Fire Station
- Germiston Fire Station
- Albertina Sizulu Corridor

Of the above Fire Stations, the following are already operational and the operating budget attached thereto is already being incurred and will not need additional budget except for additional staff to augment the already existing staff to meet the standards. This is an institutional review process:

- Kwa Thema Fire Station which will be finalized at the end of 2013/14.
- Duduza Fire Station which will be finalized in 2013/14. The fire Station is operating from a temporary facility.
- Zonkizizwe Fire Station which will be finalized during 2013/14.
- Germiston Fire Station which will be finalized during 2015/16 only. The Fire Station is the first Fire Station in the East Rand and very old and very difficult to maintain and no longer appropriate. The building qualifies to be a museum already.

The following Fire Stations will indeed require additional operating Budget once finalized. A need for these facilities was identified through the IDP process and they are required to render services:

- Zonkizizwe Fire Station. The Fire Station is meant to cover this area which is on the Southern border of the Municipality far from any other facility. There are also risks that this Fire Station is going to cover such as the Klip Rivier Road which sees a significant amount of Transportation of Hazardous Materials by Road which links with the N3 corridor, the Vaal Triangle, JHB and the Eastern Region of EMM. There are also huge economic projects such as Tambo Springs Inland Port and other economic projects coming up in this area. The Fire Station will be finalized during 2013/14 Financial Year.
- KwaThema Fire Station. KwaThema is one of the Townships that are not covered at all even by a temporary facility. The Fire Station will be finalized in the 2014/15. Only then will the operating budget be required and that provides enough time from now to source funding.
- Albertina Sizulu Corridor Fire Station. This Fire Station will be situated at the heart of the Aerotropolis. There are huge economic developments coming up in that corridor and the Kempton Park Fire Station which is far from this area is already not coping under the current circumstances. The Fire Station will only be finalized 2015/16 providing enough time from now until then for funds to be sourced.

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R68,8m and significant projects are:

- R25,5m for the construction of six (5) fire stations in the following areas - Duduza, Germiston Central, KwaThema, Thokoza and Zonkizizwe
- R26.5m for vehicles and specialised vehicles

2.10.5 Economic Development

The result statements of the department is contained in the IDP in Annexure A

Flagship Projects as pronounced by the Executive Mayor

Activity	Description
1. Coordination of the metro-wide job creation programme	
Purpose of the Project	Coordinate a city wide intervention that creates short-medium – long term work opportunities through the provision of training experiential learning and private sector placement opportunities
Current progress on project	Strategy developed and approved by Council Job Creation Programme & Projects conceptualised and funded. 150 Experiential Learning opportunities have been advertised and 200 Fire Brigade vacancies have been advertised. Processes are underway to appoint CSIR on project management capacity.
Future activities of the Project	Implementation of the Graduate Placement Programme. Youth Placement and other related programmes. Hosting of a Job Summit & Career Expo.

Activity	Description
2. Township Economy	
Purpose of the Project	Systematic intervention in the economic rejuvenation in the townships in a manner that addresses spatial inequalities through the development of economic infrastructure to drive economic activity.
Current progress on project	Strategy currently being development. Infrastructure roll-out plan developed. Nodals done through the five complexes.
Future activities of the Project	Implement the township economy strategy and Infrastructure plan in each complex in line with the Capex allocations.

Activity	Description
3. Revitalization of Manufacturing Sector	
Purpose of the Project	To stimulate the industrial activity, efficiencies and competitiveness of industrial and manufacturing sector entities through the implementation on the - 11-Point Plan.
Current progress on project	Commissioning of service provider (CSIR) to draft Ekurhuleni Industrial Development Policy, Strategy and Programme has commenced.

	<p>Investment and Development Facilitation Strategy to drive industrial development & agglomeration developed. 100 Strategic land parcel have been identified An audit of 20 companies through the National Cleaner Production centres underway. Strategy partnership with Productivity SA has been established to provide industrial upgrade and productivity improvement programmes.</p>
<p>Future activities of the Project</p>	<ul style="list-style-type: none"> • Develop an Industrial Planning and Development Strategy. • Develop an Economic Clustering and Sector Development and Support Programme • Adopt & Implement the Productivity Improvements & Industrial Upgrade Programme. • Adopt & Implement the National Cleaners Production & Resource Efficiency Programme. • Develop a Comprehensive Skills Development Programme to focus on scarce skills. • Develop an Industrial & Economic Infrastructure Plan & Logistics framework. • Adopt the Buy Local Campaign and Implement a Strategic & Targeted Local Procurement programme to encourage local production & contents in partnership with Proudly SA. • Develop a Database of Industrialists and Establish an Industrial Stakeholder Coordinating Forum in partnership with Captains of Industries to encourage industrial participation. • Host an Industrial Job Summit & Career EXPO • Green Economy Strategy & Implementation programme. • Host the National Productivity Awards • Implementation of the 11 point plan • Research and development to encourage innovation.

Operating budget of the Economic Development Department

The Economic Development department consists of the following cost centres:

- Economic Development
- Fresh Produce Market
- Tourism

The Fresh Produce Market is being renovated in the current financial year and renovations will continue in the 2013/14 financial year. An additional amount of R5m has been provided for the maintenance of the Market. This project is aimed at the enhancement of the operations of the market with resulting increased revenue.

The operating budget per category is attached hereto.

Capital budget of the Economic Development Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	30,800,000	-	-
Other National Grants	10,405,000	-	-
Other Loan Funding	-	27,000,000	31,500,000
USDG	24,850,000	24,200,000	29,000,000
Revenue	2,465,000	1,370,000	1,740,000
Total	68,520,000	52,570,000	62,240,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Corporate	21,205,000	11,000,000	11,500,000
Duduza	5,000,000	3,000,000	5,000,000
Operational Equipment	2,465,000	1,370,000	1,740,000
Springs	15,000,000	13,000,000	15,000,000
Tembisa	2,500,000	6,000,000	8,000,000
Tembisa 2	2,350,000	-	-
Thokoza	20,000,000	18,200,000	21,000,000
Total	68,520,000	52,270,000	62,240,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	28,300,000	32,200,000	39,000,000
CBD	15,000,000	13,000,000	15,000,000
Operational Equipment	2,465,000	1,370,000	1,740,000
Underdeveloped	22,755,000	6,000,000	6,500,000
Total	68,520,000	52,270,000	62,240,000

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R68,5m. Significant projects are:

- R15m for the Refurbishment of the Springs Fresh Produce Market
- R11m for the Township Enterprise Hubs
- R4m for the Trading Stalls
- R5m for the Community Agricultural Projects
- R5m for the Thokoza Fabrication Laboratory
- R5m for the Tourism Route Signage

As per DORA 2013, an amount of R10,4 million has been allocated to EMM for the 2013/14 financial year in respect of the EPWP Grant.

2.10.6 Ekurhuleni Metro Police Department (EMPD)

The result statements of the department is contained in the IDP in Annexure A

Key projects of the Ekurhuleni Metro Police Department

PROJECT NAME	PROJECT DESCRIPTION
Crime Prevention: Monitoring of public places	Extension of CCTV monitoring for public spaces in the areas of Kempton Park and Germiston
Institutionalization of an Integrated by-law compliance model.	Setting up and operationalize of the by-law compliance centre
Introduction of community service centres in EMPD precincts	Construction of Zonkizizwe Precinct and community service facilities for the Metro police.

Operating budget of the Ekurhuleni Metro Police Department

The EMPD Operating budget comprises mainly of remuneration (salaries etc.) related votes at 77.17%, Repairs and Maintenance (various votes including Repair and Maintenance of vehicles and buildings) related votes at 2.31% and Contracted services (the largest being the security contracts) related votes at 13.29%, with the remaining 7.23% used for “General Expenses”.

One of the single greatest cost components of the EMPD is the Security Contracts. The expenditure has drastically and significantly increased over the past few years, and is reflected as per the table below.

Financial Year	Actual Expenditure
2006/07	38,303,822
2007/08	45,228,492
2008/09	77,394,426
2009/10	76,833,395
2010/11	101,502,135
2011/12	99,508,647
2012/13 (Current Budgeted)	90,830,527
2013/14 (Proposed Budget)	101,135,757

An amount of R 101,135,757 has been budgeted for the 2013/14 financial year. The department is however investigating alternative security measures that will significantly reduce the cost of external security services.

The Department’s main revenue source is traffic fines. Traffic fine income does not grow at the same rate as the cost of the service. An amount of R72.35m was budgeted for the 2012/13 financial year which is increased to R86m for the 2013/14 financial year.

The AARTO act is promulgated for implementation as from 1 April 2012. This budget does not make provision for any additional costs resulting from the AARTO process.

The AARTO process has been delayed due to the failure of the RTMC to promulgate changes to the relevant legislation and the decision to implement lies with the Minister of Transport. The cost implication of AARTO, is however extremely high due to the fact that currently offenders can be notified via normal mail at a cost +- R3 and / or personal serving. In terms of the AARTO legislation however each infringement notices must be

served via registered mail at a cost of R17.95 per infringement. The cost of this postage is currently offset in a Back office contract and EMPD therefore do not pay any postage fee. The projected cost once AARTO is implemented will be R 21.54m for the 2013/2014 financial year (based on 100,000 fines issued per month.)

It must also be noted that the projected income will decrease dramatically due to AARTO legislation that is not fully implemented in South Africa.

The operating budget per category is attached hereto.

Table 59: Operating budget of the Ekurhuleni Metro Police Department

EKURHULENI METRO POLICE DEPARTMENT													
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16						
INCOME													
Traffic Fines	72,350	72,350	58,849	82,038	86,000	86,000	86,000	18.87%	4.83%	83.54%	90,386	94,815	
Other Fines	1,038	1,038	(1,800)	(127)	333	333	333	-67.92%	-361.39%	0.32%	350	367	
Sub-Total: Fines	73,388	73,388	57,049	81,911	86,333	86,333	86,333	17.64%	5.40%	83.86%	90,736	95,182	
Operating Grants & Subsidies - Other	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-	
Sub-Total: Operating Grants	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-	
Municipal Infrastructure Grant for Cities	8,000	1,800	365	1,800	15,700	15,700	15,700	772.22%	772.22%	15.25%	12,000	12,000	
Sub-Total: Capital Grants	8,000	1,800	365	1,800	15,700	15,700	15,700	772.22%	772.22%	15.25%	12,000	12,000	
Other Sundry Income	482	482	355	338	915	915	915	89.92%	170.39%	0.89%	961	1,008	
Sub-Total: Other Income	482	482	355	338	915	915	915	89.92%	170.39%	0.89%	961	1,008	
TOTAL OPERATING INCOME	81,869	75,669	57,770	84,049	102,948	102,948	102,948	36.05%	22.49%	100.00%	103,697	108,190	
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-	
NET OPERATING INCOME	81,869	75,669	57,770	84,049	102,948	102,948	102,948	36.05%	22.49%	100.00%	103,697	108,190	
EXPENDITURE													
Employee Related Costs - Salaries & Wages	393,668	391,098	204,413	339,819	482,458	482,458	482,458	23.36%	41.97%	50.01%	514,300	547,215	
Employee Related Costs - Overtime	132,720	132,720	72,839	126,852	142,674	142,674	142,674	7.50%	12.47%	14.79%	152,091	161,825	
Employee Related Costs - Social Contributions	114,318	114,318	63,737	114,081	120,470	120,470	120,470	5.38%	5.60%	12.49%	128,421	136,640	
Employee Related Costs - Salaries Capitalised	(977)	(977)	-	(977)	(1,073)	(1,073)	(1,073)	9.83%	9.83%	-0.11%	(1,144)	(1,217)	
Sub-Total: Remuneration	639,729	637,159	340,988	579,775	744,529	744,529	744,529	16.85%	28.42%	77.17%	793,668	844,462	
Repairs and Maintenance - External Contractors	12,399	14,249	9,359	12,471	16,941	16,941	16,941	18.89%	35.85%	1.76%	17,805	18,677	
Repairs and Maintenance - Internal Maintenance Teams	5,350	5,436	2,605	5,406	5,345	5,345	5,345	-1.68%	-1.14%	0.55%	5,698	6,062	
Sub-Total: Repairs and Maintenance	17,749	19,685	11,965	17,877	22,286	22,286	22,286	13.21%	24.66%	2.31%	23,502	24,740	
Contracted Services - Existing Contracts	116,063	116,894	64,913	116,794	128,206	128,206	128,206	9.68%	9.77%	13.29%	138,462	149,539	
Sub-Total: Contracted Services	116,063	116,894	64,913	116,794	128,206	128,206	128,206	9.68%	9.77%	13.29%	138,462	149,539	
General Expenses	30,532	32,816	22,318	30,085	69,770	69,770	69,770	112.61%	131.91%	7.23%	74,053	78,544	
TOTAL OPERATING EXPENDITURE	804,073	806,554	440,184	744,531	964,790	964,790	964,790	19.62%	29.58%	100.00%	1,029,685	1,097,285	
Internal Transfers:													
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-	
NET OPERATING EXPENDITURE	804,073	806,554	440,184	744,531	964,790	964,790	964,790	19.62%	29.58%	100.00%	1,029,685	1,097,285	
OPERATING SURPLUS/(DEFICIT)	(722,204)	(730,885)	(382,414)	(660,482)	(861,842)	(861,842)	(861,842)	17.92%	30.49%		(925,988)	(989,095)	
Contribution to Capital Budget	8,000	1,800	-	8,000	15,700	15,700	15,700	772.22%	96.25%		12,000	12,000	
NET OPERATING SURPLUS/(DEFICIT)	(730,204)	(732,685)	(382,414)	(668,482)	(877,542)	(877,542)	(877,542)	19.77%	31.27%		(937,988)	(1,001,095)	

Capital budget of the Ekurhuleni Metro Police Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	11,640,000		
Revenue	23,795,000	26,990,000	29,435,000
Other Loan Funding	-	16,160,000	14,600,000
USDG	15,700,000	12,000,000	12,000,000
Total	51,135,000	55,150,000	56,035,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Boksburg	-	-	1,500,000
Brakpan	1,000,000	1,000,000	1,000,000
Corporate	8,040,000	8,040,000	8,040,000
Katlehong 2	5,700,000	-	-
Kempton Park	2,600,000	11,120,000	10,100,000
Operational Equipment	23,795,000	26,990,000	27,395,000
Tembisa	1,000,000	8,000,000	8,000,000
Thokoza	9,000,000	-	-
Total	51,135,000	55,150,000	56,035,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
CBD	1,000,000	2,000,000	4,000,000
CBD / Developed, Residential	10,540,000	18,040,000	16,540,000
Operational Equipment	23,795,000	26,990,000	27,395,000
Underdeveloped	15,800,000	8,120,000	8,100,000
Total	51,135,000	55,150,000	56,035,000

Expected outcomes from the implementation of the Capital budget

The department seeks to render effective and efficient crime-prevention, observance of laws and by-laws and traffic law enforcement. The quality of life of the community of the Ekurhuleni is improved as the EMPD work in partnership with our communities to ensure that our communities are served within the parameters of the Constitution of South Africa as well as other relevant laws to promote a safe environment. This initiative also increases the police visibility in the Ekurhuleni Metro.

The total budget for the department is R51,1m and it is earmarked for amongst others R14,7m for the construction of the two Precincts in Zonkizizwe and Thokoza as well as R1m for planning fees for the Tembisa and Kempton Park Precincts which will be constructed in 2014/15.

R16,2m has been provided for the purchasing of vehicles to address the area of visible policing.

2.10.7 Energy

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Energy Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Electrification of Palm Ridge Phase 5	Electrification of 3321 stands in Palm Ridge Phase 5
Upgrading of Edenvale Industries Substation	Create transformer capacity and increase remaining useful life of substation
Upgrading of Technical College Substation - Germiston	Create transformer capacity and increase remaining useful life of substation
Electrification of Kwa-Thema Extension 3	Electrification of 716 stands in Kwa-Thema Extension 3
Mayfield Phase 1	Install bulk cable to switching station, electrification of Mayfield 6, 7 & 8 – 3 974 Stands

Operating Budget of the Energy Department

The Operating Budget of the Energy Department consists mainly of the repairs and maintenance and the bulk purchases in terms of operating expenses and electricity sales in terms of operating income.

In terms of the repairs and maintenance budget an amount of R316 917 340 is allocated to Maintenance and Refurbishment of electrical infrastructure.

Refurbishment

Work in terms of the refurbishment budget is prioritised based on the department's approved asset management refurbishment program and will be amended as and when required in order to address newly identified priorities. Forced Interruption statistics, local knowledge, asset age and inspection results are used to identify refurbishment projects. A detailed multi - year refurbishment plan has been compiled by the department.

Repairs and Maintenance

Repairs and maintenance forms part of the Department's daily asset management activities. Repairs will only be carried out as and when required. Maintenance will be done in terms of the Department's approved maintenance plan.

TARIFF INCREASES AND FREE BASIC ELECTRICITY

Increases

- NERSA publically indicated an Eskom increase of 8% on 1 April 2013.
- Subsequently to the announcement NERSA announced a guideline increase of 7% for local government.
- National Treasury issued in April 2013 Circular 67 to this effect and the draft budget was accordingly amended to accommodate the tariff increase as per guideline.

FBE

- 100 units per month remains in place, however,
- A proposed restriction is put forward to limit the allocation of FBE to:-

- Households using less than 450 units per month
- Based on a six month average value of consumption
- This restriction is aimed at avoiding a situation where EMM will sell for less than the actual purchase price;
- It should be noted that the low IBT rates match those of Eskom, which results in a huge cross subsidization from other customer segments;
- That is, EMM has a very low rate subsidized heavily from other customers and 100 units FBE. Change is required to avoid sustainability matters arising.

OPERATING INCOME

Increase tariffs by 7% as per NT Circular guideline. In addition the Energy Department will continue to focus efforts on accurate billing, a reduction in energy losses, migration of indigent customers to prepayment metering and so forth. Efforts to reduce tampering will continue, as will the fight against cable and copper theft. Finally, the continued installation of energy efficient street lights will assist in a reduction in the purchased units from Eskom.

The operating budget per category is attached hereto.

Table 60: Operating budget of the Energy Department

ENERGY													
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16						
INCOME													
Interest Earned - Outstanding Debtors	31,000	31,000	28,394	46,915	34,000	36,720	39,658		9.68%	-27.53%	0.28%	36,720	39,658
Sub-total: Penalties and Interest on Debtors	31,000	31,000	28,394	46,915	34,000	36,720	39,658		9.68%	-27.53%	0.28%	36,720	39,658
Electricity Sales	10,361,459	10,361,459	6,118,342	10,331,554	11,198,138	12,092,474	13,058,171		8.07%	8.39%	93.28%	12,092,474	13,058,171
Departmental Usage	180,452	185,852	86,399	151,275	301,547	325,671	351,725		62.25%	99.34%	2.51%	325,671	351,725
Less: Income foregone	-	-	-	-	-	-	-		0.00%	0.00%	0.00%	-	-
Sub-total: Net Electricity Sales	10,541,911	10,547,311	6,204,741	10,482,829	11,499,685	12,418,145	13,409,895		9.03%	9.70%	95.79%	12,418,145	13,409,895
Total: User Charges for Services	10,541,911	10,547,311	6,204,741	10,482,829	11,499,685	12,418,145	13,409,895		9.03%	9.70%	95.79%	12,418,145	13,409,895
Disconnection Fees	3,500	3,500	9	54	3,500	3,679	3,859		0.00%	6355.90%	0.03%	3,679	3,859
Other Fines	2,750	2,750	4,946	6,013	2,750	2,890	3,032		0.00%	-54.26%	0.02%	2,890	3,032
Sub-Total: Fines	6,250	6,250	4,955	6,067	6,250	6,569	6,891		0.00%	3.02%	0.05%	6,569	6,891
Licenses & Permits	-	-	-	-	-	-	-		0.00%	0.00%	0.00%	-	-
Equitable Share	514,122	514,122	385,561	514,122	270,000	291,600	314,928		-47.48%	-47.48%	2.25%	291,600	314,928
Sub-Total: Operating Grants	514,122	514,122	385,561	514,122	270,000	291,600	314,928		-47.48%	-47.48%	2.25%	291,600	314,928
Capital Grants - Other	-	-	0	-	-	-	-		0.00%	0.00%	0.00%	-	-
INEP	73,000	73,000	13,044	73,000	10,000	50,000	70,000		-86.30%	-86.30%	0.08%	50,000	70,000
Neighborhood Development Partnership Grant	12,000	12,000	8,628	12,000	11,000	10,000	10,000		-8.33%	-8.33%	0.09%	10,000	10,000
Municipal Infrastructure Grant for Cities	231,752	238,774	75,078	238,774	163,731	273,750	340,000		-31.43%	-31.43%	1.36%	273,750	340,000
Sub-Total: Capital Grants	316,752	323,774	96,749	323,774	184,731	333,750	420,000		-42.94%	-42.94%	1.54%	333,750	420,000
Essential Services	10,000	10,000	3,967	3,702	10,000	10,510	11,025		0.00%	170.12%	0.08%	10,510	11,025
Other Sundry Income	3,040	3,040	240	336	194	204	214		-93.62%	-42.28%	0.00%	204	214
Sub-Total: Other Income	13,040	13,040	4,207	4,038	10,194	10,714	11,239		-21.83%	152.44%	0.08%	10,714	11,239
TOTAL OPERATING INCOME	11,423,075	11,435,497	6,724,608	11,377,746	12,004,860	13,097,498	14,202,610		4.98%	5.51%	100.00%	13,097,498	14,202,610
Internal Recoveries	-	-	-	-	-	-	-		0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	11,423,075	11,435,497	6,724,608	11,377,746	12,004,860	13,097,498	14,202,610		4.98%	5.51%	100.00%	13,097,498	14,202,610

ENERGY											
FINANCIAL PERIOD											
	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2013/14				2014/15	2015/16
EXPENDITURE											
Employee Related Costs - Salaries & Wages	269,612	265,580	135,971	269,005	291,899	291,899	9.91%	8.51%	2.63%	311,165	331,079
Employee Related Costs - Overtime	35,564	35,414	25,301	35,422	38,231	38,231	7.96%	7.93%	0.34%	40,754	43,362
Employee Related Costs - Social Contributions	66,773	65,705	34,333	62,612	69,236	69,236	5.37%	10.58%	0.62%	73,805	78,529
Employee Related Costs - Salaries Capitalised	(17,353)	(17,353)	-	(17,353)	(19,059)	(19,059)	9.83%	9.83%	-0.17%	(20,317)	(21,617)
Employee Related Costs - Salaries to R and M Internal	(236,521)	(236,521)	(131,300)	(236,521)	(250,289)	(250,289)	5.82%	5.82%	-2.25%	(266,808)	(283,884)
Sub-Total: Remuneration	118,075	112,825	64,305	113,166	130,018	130,018	15.24%	14.89%	1.17%	138,599	147,470
Bad Debts (Provision for Bad Debts) - additional target	579,396	579,396	437,708	579,396	678,499	678,499	17.10%	17.10%	6.11%	734,048	794,496
Sub-Total: Bad Debt Provision	579,396	579,396	437,708	579,396	678,499	678,499	17.10%	17.10%	6.11%	734,048	794,496
Collection Costs	1,002	1,528	398	647	1,295	1,295	-15.28%	100.00%	0.01%	1,361	1,428
Depreciation - Existing Assets	529,721	529,721	309,004	505,523	550,910	550,910	4.00%	8.98%	4.96%	578,455	607,378
Sub-Total: Depreciation	529,721	529,721	309,004	505,523	550,910	550,910	4.00%	8.98%	4.96%	578,455	607,378
Repairs and Maintenance - External Contractors	135,672	139,387	81,901	130,274	143,590	143,590	3.01%	10.22%	1.29%	150,913	158,308
Repairs and Maintenance - Electricity Maintenance Levy	303,017	303,017	118,004	295,407	343,327	343,327	13.30%	16.22%	3.09%	370,793	400,457
Repairs and Maintenance - Internal Maintenance Teams	241,618	241,667	132,492	241,643	254,988	254,988	5.51%	5.52%	2.30%	271,817	289,213
Sub-Total: Repairs and Maintenance	680,308	684,072	332,396	667,324	741,905	741,905	8.45%	11.18%	6.68%	793,523	847,978
Interest Expense - Current External Borrowings	135,735	137,879	33,236	131,979	158,787	158,787	15.16%	20.31%	1.43%	216,716	210,025
Sub-Total: Interest Expense	135,735	137,879	33,236	131,979	158,787	158,787	15.16%	20.31%	1.43%	216,716	210,025
Bulk Purchases - Electricity	6,803,233	6,803,233	4,043,340	6,801,604	7,291,216	7,291,216	7.17%	7.20%	65.66%	7,874,513	8,504,474
Sub-Total: Bulk Purchases	6,803,233	6,803,233	4,043,340	6,801,604	7,291,216	7,291,216	7.17%	7.20%	65.66%	7,874,513	8,504,474
Contracted Services - Existing Contracts	139,691	137,158	36,658	134,619	152,163	152,163	10.94%	13.03%	1.37%	164,336	177,483
Sub-Total: Contracted Services	139,691	137,158	36,658	134,619	152,163	152,163	10.94%	13.03%	1.37%	164,336	177,483
Grants & Subsidies Paid - Eskom	63,900	63,900	31,862	60,594	59,766	59,766	-6.47%	-1.37%	0.54%	64,547	69,711
Grants & Subsidies Paid - Free Basic Services - Indigents	290,000	290,000	76,565	290,000	270,000	270,000	-6.90%	-6.90%	2.43%	291,600	314,928
Sub-Total: Grants and Subsidies	353,900	353,900	108,427	350,594	329,766	329,766	-6.82%	-5.94%	2.97%	356,147	384,639
General Expenses	1,002,740	1,004,022	454,295	970,766	1,069,554	1,069,554	6.53%	10.18%	9.63%	1,131,336	1,194,001
Impairment loss	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING EXPENDITURE	10,343,799	10,343,734	5,819,768	10,255,618	11,104,112	11,104,112	7.35%	8.27%	100.00%	11,989,035	12,869,371
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	10,343,799	10,343,734	5,819,768	10,255,618	11,104,112	11,104,112	7.35%	8.27%	100.00%	11,989,035	12,869,371
OPERATING SURPLUS/(DEFICIT)											
Contribution to Capital Budget	1,079,276	1,091,763	904,840	1,122,127	900,748	900,748	-17.50%	-19.73%		1,108,463	1,333,239
Total Transfers from Cash-Backed Reserves	316,752	323,774	-	316,752	184,731	184,731	-42.94%	-41.68%		333,750	420,000
NET OPERATING SURPLUS/(DEFICIT)	1,066,851	1,062,317	1,076,531	1,099,703	1,025,061	1,025,061	-3.51%	-6.79%		1,099,209	1,253,960

Capital budget of the Energy Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
INEP	10,000,000	50,000,000	70,000,000
Municipal Bonds	148,300,000	54,800,000	-
Revenue	20,720,000	21,150,000	21,760,000
Other National Grants	11,000,000	10,000,000	10,000,000
Other Loan Funding	-	171,250,000	209,000,000
USDG	163,731,000	273,750,000	340,000,000
Total	353,751,000	526,150,000	650,760,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Alberton	4,500,000	6,500,000	8,000,000
Benoni	5,000,000	6,500,000	8,000,000
Boksburg	5,000,000	6,500,000	8,000,000
Brakpan	5,000,000	6,500,000	8,000,000
Corporate	225,631,000	374,000,000	465,000,000
Daveyton	3,100,000	5,250,000	6,500,000
Duduza	1,100,000	1,250,000	1,500,000
Edenvale	5,000,000	6,500,000	8,000,000
Etwatwa	1,100,000	1,250,000	1,500,000
Germiston	11,000,000	13,300,000	18,000,000
Katlehong	1,100,000	1,250,000	1,500,000
Kempton Park	10,000,000	12,500,000	15,000,000
KwaThema	25,400,000	25,900,000	28,500,000
Nigel	4,000,000	5,500,000	8,000,000
Operational Equipment	20,720,000	21,150,000	21,760,000
Springs	5,000,000	6,500,000	8,000,000
Tembisa	4,900,000	5,900,000	8,500,000
Tembisa 2	5,400,000	5,900,000	8,500,000
Thokoza	5,400,000	6,900,000	8,500,000
Tsakane	3,100,000	4,250,000	6,500,000
Vosloorus	2,300,000	2,850,000	3,500,000
Total	353,751,000	526,150,000	650,760,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	10,000,000	20,000,000	20,000,000
CBD	2,000,000	3,000,000	5,000,000
CBD / Developed, Residential	77,400,000	227,650,000	290,000,000
Developed, Residential	201,731,000	206,150,000	254,000,000
Operational Equipment	20,720,000	21,150,000	21,760,000
Underdeveloped	41,900,000	48,200,000	60,000,000
Total	353,751,000	526,150,000	650,760,000

Expected outcomes from the implementation of the Capital budget

Amongst others, the Strategic Focus of the Energy Department is:-

- To reduce the overall purchases from Eskom to create space for new development (Energy Efficiency)
- To generate adequate revenue in order to ensure that the entire revenue chain is effective
- The roll-out of the Solar Geyser Programme
- To provide street and area lighting
- To ensure the proper protection of electricity meters

The Energy budget addresses refurbishment and renewal of electricity infrastructure assets to ensure that the electricity service remains sustainable. Electrification continues unabated and numbers approaching 10 000 new connections will be added in the 2013/14 financial year. Similarly, high mast and street lighting networks will continue to be expanded.

The total capital budget of the department is R353,7m. Some of the key projects on the 2013/14 financial year include:

- R19,6m for the installation of street and high mast lighting where required in all CCA's
- R25,8m for the installation of protective structures and pre-payment meters to prevent electrical theft, vandalism and for safety
- R84,5m for the Network Strengthening as well as enhancement to cater for growth and expansion
- R97,1m for electrifications projects of which R15m is a grant to be received from the Department of Minerals & Energy.
- R11m for Energy Efficiency projects funded from a grant to be received from the Department of Minerals & Energy.

2.10.8 Environmental Resource Management

The budget of the department includes Environmental Resource Management as well as Parks and cemeteries.

The result statements of the department is contained in the IDP in Annexure A

Flagship Projects as pronounced by the Executive Mayor

Beautification of Lakes and Dams

The Beautification of the Lakes, Dams and Pans project will create an attractive environment contributing to the city being a preferred destination for investment, home for water sport, water economics and hospitality.

Four priority areas have been identified for utilization of the R31 228 000 in more or less equal portions of R9 000 000 each.

Areas:

- Germiston Lake.
- Dries Niemandt facility and Blaauwpan (Kempton Park).
- Murray Park and President Park in Springs.
- Four lakes in Benoni: Civic Lake, Homestead Lake, Kleinfontein, Middle Lake

Activities:

- Ground work.
- Landscaping.
- Building upgrades.
- Stormwater clearance.
- Water quality improvement.
- Weed control
- Sports Development
- Water safety and awareness

Key Strategic Projects of the Environmental Resource Management Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
The Beautification of the Lakes, Dams and Pans project	<p>The Beautification of the Lakes, Dams and Pans project creates an attractive environment contributing to the Ekurhuleni metro being a preferred destination for investment, home for water sport, water economy and events. The project will be targeting the five prioritised areas namely:</p> <p>Benoni - Civic, Middle, Kleinfontein & Homestead lakes Springs - Murray Park & President Park, Kempton-park - Dries Niemandt and Blaauwpan Germiston - Victoria Lake Conservation route - Leeupan, Rondebult, Marievale & Blesbokspruit and Korsmans Bird sanctuary</p>
Upgrade of Boksburg	The Boksburg Lake and its surrounds have been identified as

NAME OF THE PROJECT	BRIEF DESCRIPTION
lake	<p>a multiyear project dealing with both the surrounding park, as well as the water body.</p> <p>Phase 1 of the project is being implemented by Parks and includes inter alia, the upgrading of the entrance, the parking area & boat house.</p> <p>The water body is contaminated with hazardous sludge. The main focus of the 2nd phase of the project will be the restoration of the water quality to conform to recreational standards which will include the dredging of the lake. However the disposal of the hazardous waste to be dredged from the lake is posing various challenges and will first have to be addressed.</p>
Upgrade of Brakpan dam	<p>The Brakpan dam and its surrounds have been identified as a multiyear project dealing with both the surrounding park, as well as the water body.</p> <p>Phase 1 of the project is being implemented by Parks and includes inter alia the rectification of soil profile; Drainage; servicing of storm water systems; as well as landscaping.</p> <p>The 2nd phase of the project will ensure that the water quality is addressed through aeration as well as installation of litter and silt traps in order to address the poor water quality that resulted in intolerable smell during the rainy season. This will be done in cooperation with the Storm water Division.</p>
Kaalspruit river catchment	<p>The Tembisa wetlands drain the upper Kaalspruit River catchment and have been impacted by urban development's and associated infrastructure. The Tembisa wetlands rehabilitation project entails restoration of 173 hectares of lost wetlands system functioning through construction of 11 weirs and a gabions basket at strategically identified sites. The project will be implemented through a Working for Wetlands approach where labour intensive methods are employed as opposed to mechanised ones. The project is multiyear and beautification element will be addressed in the multi years.</p>
OR Tambo/Leeupan project	<p>The OR Tambo/Leeupan project is a Multiyear project that covers a wide scope of work including environmental education facility, regional park and wetlands rehabilitation. Environmentally friendly construction methods are being used and the completed project will be a pioneer in Ekurhuleni.</p> <p>Phase 1 included the development of:</p> <ul style="list-style-type: none"> • an amphitheatre • narrative centre (museum) • multi-purpose arts and crafts centre • environment education centre • caretaker's cottage

NAME OF THE PROJECT	BRIEF DESCRIPTION
	Phase 2 will now commence and includes the bioremediation of the Leeupan and landscaping addressing: <ul style="list-style-type: none"> • Conservation Zones • Urban Agriculture areas • Formal Gardens • Picnic and Braai areas • Bird hides • Nature trails • Sports fields • Walkways • Piers
Motsu park	Development of park includes: Phase 1: The construction of an amphitheatre, paving, landscaping and irrigation and lighting. Phase 2 will include building of Venue.
Zonkizizwe multipurpose park	Development includes, bulk earthworks, hard and soft landscaping, irrigation, pathways, playground equipment, park furniture, picnic areas and lighting. Phase 2 will include caretaker's house, gazebo, ablutions and landscaping.

Operating budget of the Environmental Resource Management Department

One of the main cost drivers of the department is grass cutting. The cost of grass cutting has escalated significantly since the 2006/2007 financial year. The department has compiled a grass cutting strategy that is aimed at the reduction of the cost of grass cutting in future years, but it is expected that the grass cutting cost will remain high over the medium term.

Grass in EMM is cut according to grass cutting schedules in line with frequencies and standards contained in a norms and standards document and service charter. Flagship parks are cut once a week to specific standard and other parks and sidewalks are generally cut monthly. Actions are labour intensive and internal capacity is complemented by the use of grass cutting contractors. Grass is officially cut on Council property by the Parks and Cemeteries Directorate. Private property including government land and land owned by entities like ESKOM and SPOORNET maintenance is the responsibility of the owner. Notices are served on owners by the Health Department to cut their property where unacceptable conditions exist. Where this is not done the service could be rendered on behalf of the owner and he will then be billed. When excessive rain is experienced all grass grows much faster and a higher cutting frequency would be required to ensure the neat appearance of the city. Workings days are lost during the rainy season because grass cannot be cut in the rain. Long grass can lead to crime as well as traffic accidents where grass is so long that traffic signs are not clearly visible. Grass in certain large grass lands is not cut to protect the biodiversity in the city. The actual and budgeted expenditure for grass cutting over the past years are as follows:

Financial Year	Actual Expenditure
	R
2006/07	9,098,213
2007/08	15,180,034

2008/09	29,307,963
2009/10	34,434,371
2010/11	26,940,135
2011/12	26,786,107
2012/13 (Current Budget)	36,800,000
2013/14 (Proposed Budget)	38,300,000

A further high priority service rendered by this department is the maintenance of street trees. In the previous 5 years more than 60 000 trees were planted in addition to the many thousands of established trees which require maintenance. At present all internal tree maintenance staff is required to address the backlog in tree complaints and noticeable improvement must be realised in the near future.

Fleet, minor plant, machinery and equipment are ageing and therefor maintenance costs are high hence the Department is considering a gradual replacement over years.

Vandalism that occurs at facilities and the Department jointly with user communities is investigating innovative ways to minimize the impacts.

The operational expenditure in Policy and Planning divisions of the department is mainly personnel costs relating to commitments for EIA's, environmental education and awareness.

The Air Quality division issues air quality licenses to industries and monitor noise and pollution in general. Costs are mostly staff related.

The operating budget per category is attached hereto.

Table 61: Operating budget of the Environmental Resource Management Department

ENVIRONMENTAL RESOURCE MANAGEMENT										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	P to B	%	Of Total	2015/16
INCOME										
Minor Income	20,481	20,481	14,129	26,737	26,257	28,20%	-1.80%	38.70%	38.70%	27,596
Total: User Charges for Services	20,481	20,481	14,129	26,737	26,257	28.20%	-1.80%	38.70%	38.70%	27,596
Rent of Facilities and Equipment - Other	394	394	186	378	723	83.36%	91.29%	1.07%	1.07%	760
Sub-total: Rent of Facilities and Equipment	394	394	186	378	723	83.36%	91.29%	1.07%	1.07%	760
Other Fines	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-
Sub-Total: Fines	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-
Licenses & Permits	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-
Operating Grants & Subsidies - Other	-	225	-	225	-	-100.00%	0.00%	0.00%	0.00%	-
Finance Management Grant	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-
Sub-Total: Operating Grants	-	225	-	225	-	-100.00%	0.00%	0.00%	0.00%	-
Municipal Infrastructure Grant for Cities Community Care Centres	19,400	19,400	4,674	19,400	38,600	98.97%	98.97%	56.90%	56.90%	47,600
Sub-Total: Capital Grants	19,400	19,400	4,674	19,400	38,600	98.97%	98.97%	56.90%	56.90%	47,600
Essential Services	3,132	3,132	815	1,474	1,900	-39.34%	28.87%	2.80%	2.80%	1,997
Other Sundry Income	316	316	213	388	361	14.15%	-7.02%	0.53%	0.53%	379
Sub-Total: Other Income	3,448	3,448	1,028	1,863	2,261	-34.43%	21.39%	3.33%	3.33%	2,376
TOTAL OPERATING INCOME	43,723	43,948	20,016	48,603	67,841	54.37%	39.58%	100.00%	100.00%	78,332
NET OPERATING INCOME	43,723	43,948	20,016	48,603	67,841	54.37%	39.58%	100.00%	100.00%	78,332
EXPENDITURE										
Employee Related Costs - Salaries & Wages	294,897	289,993	161,268	274,982	329,917	14.16%	19.98%	54.13%	54.13%	351,682
Employee Related Costs - Overtime	8,811	8,811	4,884	8,767	9,471	7.50%	8.03%	1.55%	1.55%	10,096
Employee Related Costs - Social Contributions	76,788	77,310	40,357	73,480	83,528	8.04%	13.67%	13.71%	13.71%	89,041
Employee Related Costs - Salaries Capitalised	(3,697)	(3,697)	-	(3,697)	(4,061)	9.83%	9.83%	-0.67%	-0.67%	(4,329)
Sub-Total: Remuneration	376,798	371,416	206,508	363,532	418,866	12.77%	18.48%	68.73%	68.73%	446,501
Depreciation - Existing Assets	29,554	29,554	17,240	29,772	30,737	4.00%	3.24%	5.04%	5.04%	32,273
Sub-Total: Depreciation	29,554	29,554	17,240	29,772	30,737	4.00%	3.24%	5.04%	5.04%	32,273
Repairs and Maintenance - External Contractors	49,406	56,718	25,037	50,363	54,115	-4.59%	7.45%	8.88%	8.88%	56,875
Repairs and Maintenance - Internal Maintenance Teams	6,946	7,864	3,105	7,629	5,709	-27.40%	-25.16%	0.94%	0.94%	6,086
Sub-Total: Repairs and Maintenance	56,352	64,582	28,141	57,991	59,824	-7.37%	3.16%	9.82%	9.82%	62,961
Contracted Services - Existing Contracts	30,411	40,787	11,934	30,693	40,642	-0.36%	32.41%	6.67%	6.67%	43,893
Sub-Total: Contracted Services	30,411	40,787	11,934	30,693	40,642	-0.36%	32.41%	6.67%	6.67%	43,893
General Expenses	51,710	50,517	37,088	118,291	59,387	17.56%	-49.80%	9.74%	9.74%	68,962
Grants Expenditure	-	225	-	225	-	-100.00%	0.00%	0.00%	0.00%	-
TOTAL OPERATING EXPENDITURE	544,826	557,081	300,911	590,504	609,446	9.40%	3.21%	100.00%	100.00%	654,590
Internal Transfers:	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-
Internal Charges	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-
NET OPERATING EXPENDITURE	544,826	557,081	300,911	590,504	609,446	9.40%	3.21%	100.00%	100.00%	654,590
OPERATING SURPLUS/(DEFICIT)	(601,102)	(613,133)	(280,895)	(541,901)	(541,605)	5.55%	-0.05%	-	-	(576,258)
Contribution to Capital Budget	19,400	19,400	-	19,400	38,600	98.97%	98.97%	0.00%	0.00%	47,600
Total Transfers from Cash-Backed Reserves	4,073	4,073	2,376	4,073	4,277	5.00%	5.00%	0.00%	0.00%	4,491
NET OPERATING SURPLUS/(DEFICIT)	(516,429)	(528,460)	(278,519)	(557,228)	(575,928)	8.98%	3.36%	-	-	(619,367)

Capital budget of the Environmental Resource Management Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	8,728,000	-	-
Revenue	36,360,000	34,620,000	60,045,000
Other Loan Funding	-	8,800,000	29,000,000
USDG	38,600,000	47,600,000	58,500,000
Total	83,688,000	91,020,000	147,545,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Alberton	1,000,000	-	-
Benoni	500,000	1,000,000	-
Boksburg	4,928,000	14,000,000	17,000,000
Corporate	11,250,000	12,900,000	10,000,000
Etwatwa	1,600,000	-	-
Germiston	2,000,000	5,500,000	5,000,000
Katlehong	1,800,000	3,500,000	27,500,000
Katlehong2	1,500,000	1,500,000	-
Nigel	15,000,000	15,000,000	25,000,000
Operational Equipment	34,110,000	32,620,000	58,045,000
Springs	6,000,000	7,500,000	7,000,000
Tembisa	3,000,000	-	-
Tembisa2	3,000,000	3,000,000	3,000,000
Total	83,688,000	91,020,000	147,545,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	1,000,000	1,000,000	1,000,000
CBD	1,000,000	3,000,000	500,000
CBD, Developed, Residential	1,000,000	10,000,000	40,000,000
Developed, Residential	5,000,000	3,000,000	1,500,000
Operational Equipment	35,860,000	33,920,000	58,545,000
Underdeveloped	39,828,000	40,100,000	46,000,000
Total	83,688,000	91,020,000	147,545,000

Expected outcomes from the implementation of the Capital budget

The mission of environmental resources management department is to serve our community by rendering essential affordable municipal services, providing facilities, creating a safe and healthy environment and facilitating economic growth. The key performance areas of the department are as follows:

- Metro parks and cemeteries
- Environmental management termed as policy and planning
- Air Quality Management
- Open spaces and Wetlands

The total budget for the department is R83,6m and allocation to main projects is as follows:

- R36,5m for the development of parks and cemeteries across Ekurhuleni
- R3,7m for the rehabilitation of dams, lakes, catchments and wetland
- An amount of R20,9m has been allocated to vehicles
- R7,3m for specialised equipment e.g. brush cutters etc.

2.10.9 Executive Office

The Executive Office cost centre is the cost centre of the Executive arm of the political office being the Office of the Executive Mayor and the Members of Mayoral Committee.

Operating budget of the Executive Office Department

The budget consists mainly of salaries, councillor remuneration and operational expenditure related to the administration of the function.

Capital budget of the Executive Office Department

An amount of R4 163 million for 2013/14 and R2 663 million for 2014/15 and R7 213 million has been provided for operational equipment for the Office of the Executive as well as those of the MMC's.

Table 62: Operating budget of the Executive Office Department

EXECUTIVE OFFICE												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16				2014/15	2015/16
INCOME												
Operating Grants & Subsidies - Other	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Operating Grants	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Other Sundry Income	52	52	-	1	22	22	22	-57.58%	1479.70%	100.00%	23	24
Sub-Total: Other Income	52	52	-	1	22	22	22	-57.58%	1479.70%	100.00%	23	24
TOTAL OPERATING INCOME	52	52	-	1	22	22	22	-57.58%	1479.70%	100.00%	23	24
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	52	52	-	1	22	22	22	-57.58%	1479.70%	100.00%	23	24
EXPENDITURE												
Employee Related Costs - Salaries & Wages	22,822	22,822	15,883	21,103	31,527	43,776	46,578	38.14%	49.39%	47.45%	43,776	46,578
Employee Related Costs - Overtime	279	279	88	49	300	320	340	7.50%	514.03%	0.45%	320	340
Employee Related Costs - Social Contributions	1,468	1,468	1,223	1,386	2,983	6,446	6,859	103.20%	115.22%	4.49%	6,446	6,859
Employee Related Costs - Salaries Capitalised	(265)	(265)	-	(265)	(292)	(311)	(331)	9.83%	9.83%	-0.44%	(311)	(331)
Remuneration of Councillors	9,000	9,000	4,491	9,046	9,156	9,760	10,385	1.72%	1.22%	13.78%	9,760	10,385
Sub-Total: Remuneration	33,305	33,305	21,686	31,319	43,675	59,991	63,831	31.14%	39.45%	65.73%	59,991	63,831
Depreciation - Existing Assets	1,225	1,225	715	737	1,274	1,338	1,405	4.00%	72.99%	1.92%	1,338	1,405
Sub-Total: Depreciation	1,225	1,225	715	737	1,274	1,338	1,405	4.00%	72.99%	1.92%	1,338	1,405
Repairs and Maintenance - External Contractors	162	162	113	133	167	175	184	3.09%	25.69%	0.25%	175	184
Repairs and Maintenance - Internal Maintenance Teams	22	22	-	22	20	21	23	-7.12%	-7.12%	0.03%	21	23
Sub-Total: Repairs and Maintenance	183	183	113	154	187	197	207	1.89%	21.11%	0.28%	197	207
Contracted Services - Existing Contracts	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Contracted Services	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Grants & Subsidies Paid - Social/Educational/Sports	-	3,500	-	3,500	3,675	3,862	4,052	5.00%	5.00%	5.53%	3,862	4,052
Sub-Total: Grants and Subsidies	-	3,500	-	3,500	3,675	3,862	4,052	5.00%	5.00%	5.53%	3,862	4,052
General Expenses	15,865	15,942	8,786	15,488	17,634	18,536	19,446	10.61%	13.86%	26.54%	18,536	19,446
TOTAL OPERATING EXPENDITURE	50,579	54,156	31,299	51,198	66,445	83,924	88,940	22.69%	29.78%	100.00%	83,924	88,940
Internal Transfers:												
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	50,579	54,156	31,299	51,198	66,445	83,924	88,940	22.69%	29.78%	100.00%	83,924	88,940
OPERATING SURPLUS/(DEFICIT)	(50,527)	(54,104)	(31,299)	(51,196)	(66,423)	(83,901)	(88,916)	22.77%	29.74%		(83,901)	(88,916)
Total Transfers from Cash-Backed Reserves	3,449	3,449	2,012	3,449	3,621	3,802	3,992	5.00%	5.00%		3,802	3,992
NET OPERATING SURPLUS/ (DEFICIT)	(47,078)	(50,655)	(29,288)	(47,748)	(62,802)	(80,099)	(84,924)	23.98%	31.53%		(80,099)	(84,924)

2.10.10 Finance Department

The result statements of the department is contained in the IDP in Annexure A

Flagship projects of the Finance Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Revenue enhancement	<p>This is a programme aimed at introducing best practice in the generation, management, protection and enhancement of revenue.</p> <p>The following projects are included in the Main Programme:</p> <p>1. Electronic Billing Presentment & Payment: - e-Siyakhokha</p> <p>The programme has just under 47 000 registered users with some 64 000 registered accounts. More than R150 million has been received in account payments through this channel.</p> <p>SMS notifications will be launched during this financial year and it is planned to launch inter-active account statements during the 2013/2014 financial year.</p> <p>2. Business Process Management</p> <p>This project is aimed at enhancing business processes to improve the efficiency of the revenue collection cycle.</p> <p>Application Processes completed and rolled out in selected sites</p> <ul style="list-style-type: none"> • Electricity Connections - Alberton, Boksburg and Brakpan • Indigent Registrations - Tembisa, Germiston, Brakpan and Tsakane • Solid Waste Round Collections - Nigel, Edenvale, Alberton • Property Rezonings – Alberton, Boksburg and Kempton Park • Property Alienations - East-Springs CCA, North-Kempton Park, South-Germiston • Building Plans – Kempton Park, Alberton and Brakpan • Water Connections - Application for water service to be remodelled <p>3. Restructuring of the debtors book</p> <p>This project entails the identification of innovative ways of recovering long outstanding debt. No transactions have been concluded thus far.</p> <p>4. Key Accounts Management</p> <p>A concept document was completed outlining the strategy and operating model. A SWOT analysis was performed and the Hybrid model proved ideal in terms of handling of accounts via the Key Accounts section with CCC assistance. Tier 1 (Top 500) of the vertical segmentation completed during this year. A Customer survey was completed and the insight drawn was used to inform the</p>

NAME OF THE PROJECT	BRIEF DESCRIPTION
	<p>operating model. A reporting tool for Key Accounts was developed and is now fully functional</p> <p>5. Suprima Venus Integration</p> <p>Completed Processes</p> <ul style="list-style-type: none"> • Application for Installation of New Prepayment Meter • Retrofit Conventional to Prepayment Meter • Prepayment Meter Maintenance • Processes being tested • Prepayment Meter Removal • Prepayment Meter Tariff Change • Prepayment Test Meter <p>Phase 2 and 3 will be implemented as part of BPM phase 2 and will be included in the BPM Project Plan Phase 2.</p> <p>6. Master Data Management</p> <p>Data from various applications with customer data has been populated into the staging database of the hub except data from the Library system. A project scope change is being considered to include procurement of a data cleansing tool and data clean-up to enable finalization of moving data into the final stage of the hub.</p> <p>7. Customer Contact Centre</p> <p>This project will be implemented as part of the Unified Command Centre Project. ICT is working with RMEP and Income to model customer account queries processes. This will be implemented as part of medium term intervention measures for the Unified Command Centre</p> <p>8. Siyakhokha Siyathuthuka</p> <p>This is a broad based communication intervention aimed at amongst others, educating consumers about paying for services and how Ekurhuleni Metro deploys the monies paid by residents.</p> <p>The programme will also focus on water losses and conservation, indigents, electricity losses / bypassing, etc.</p> <p>This takes the form of campaigns, public address, door to door, radio, newspaper, etc.</p>

Key Strategic Projects of the Finance Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Operation Clean Audit	On 14 July 2009 the Minister for Cooperative Governance and Traditional Affairs introduced the launch of Operation Clean Audit 2014. The strategic vision and objective of the project is that by 2014 all 283 municipalities will have

NAME OF THE PROJECT	BRIEF DESCRIPTION
	<p>achieved clean audits on their financial statements and that by 2011 all municipalities must have dealt or cleaned disclaimers and adverse opinions.</p> <p>The Ekurhuleni Metropolitan Municipality has for the fourth year in a row received an unqualified audit report from the Auditor-General of South Africa (AGSA). The unqualified reports are for 2008/2009, 2009/2010, 2010/2011 as well as 2011/2012 financial years. The EMM, however, has not yet received a “Clean” Audit Report as per the AG’s definition, but has in the 2011/2012 year received a clean opinion on the financial statements for the first time.</p> <p>The plans to clear the audit findings are addressed by the relevant departments and update the progress is updated on a monthly basis. The hearings held for the 2010/11 audit finding in June & July 2012 was very successful and will be part of the OPCA process going forward. All the implementation plans must be finalised by 30 June 2013.</p> <p>2011/2012 versus 2010/2011 Audit Findings affecting the audit report - The number of audit findings in the 2010/2011 management letter affecting the audit report was 19 and the number in 2011/2012 was 9. This is an improvement of 53%. Of these 9 remaining items, only 5 items are remaining from previous findings. This means that 74% of the items in 2010/2011 were successfully cleared.</p> <p>EMM established an Operation Clean Audit Steering Committee in the past, which is chaired by the COO. This committee reports directly to the City Manager’s Strategic Management Team (SMT). An OPCA action plan (OPCA control sheet) has once again been compiled, as in the past, which is based on all of the findings of the Auditor General of the preceding audit. The intention is to address all the matters to avoid recurring findings. In addressing the matters, precedence is given to the matters impacting on the audit report, then other important matters are dealt with and administrative matters are handled on an on-going basis. Monthly OPCA Steering Committee meetings will be held to ensure that OPCA is being managed sufficiently. These meetings have already shown great results in the past, as can be seen from the reduction of audit findings.</p> <p>The bulk of the findings on the last audit report dealt with supply chain management control weaknesses. We have started addressing the problem by firstly revising our SCM policy.</p> <p>In addition, controls have been implemented to ensure that</p>

NAME OF THE PROJECT	BRIEF DESCRIPTION
	<p>awards are not made to suppliers in which employees, family members of employees, political office-bearers and other persons in the service of the state have interests. Information is obtained from the EMM employee database, the Companies and Intellectual Property Commission (CIPC) website, as well as declaration of interest forms completed by bidders.</p> <p>If irregular expenditure is incurred as a result of false declarations, the municipality will take disciplinary action against the relevant employees/councillors. Decisive steps will be taken against service providers or individuals responsible for submission of false information which will include recovery of amounts already paid out.</p> <p>Disciplinary steps will also be taken against employees who fail to declare and observe the requirements of the code of conduct for municipal staff members as well as the code of conduct for councillors.</p> <p>We remain confident that we will achieve a clean audit for 2014.</p>

Operating budget of the Finance Department

The Finance Department renders a financial service to the municipality and Council. It therefore has to secure sound and sustainable management of the fiscal and financial affairs of the municipality. The department therefore has to ensure transparent, accountable and appropriate lines of responsibility in the fiscal and financial affairs of the municipality and its entities.

Finance as a department manages the borrowing, investments, supply chain management, revenue, expenditure, assets and liabilities of the municipality and therefore have to draw up the budgets and ensure that financial planning processes are followed and complied with in terms of legislation and other regulations and to co-ordinate these not only within the municipality but also with other organs of state in the different spheres of government.

The operating budget will enable the department to perform the above functions and duties and many other functions that would be expected to be performed.

The budget for the Finance department includes the full income for the assessment rates regardless of the utilisation of the rates. The cost centre shows a surplus, but it is not technically a surplus generating function.

The operating budget per category is attached hereto.

Table 63: Operating budget of the Financial Services Department

FINANCE DEPARTMENT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2013/14				2014/15	2015/16
INCOME											
Property Rates	3,560,847	3,560,847	2,004,948	3,541,551	4,124,880	4,124,880	15.84%	16.47%	65.92%	4,434,246	4,766,815
Departmental Usage	78,513	78,513	39,554	145,356	42,897	42,897	-45.36%	-70.49%	0.69%	117,984	126,833
Less: Income foregone	599,127	599,127	346,513	824,068	627,501	627,501	4.74%	-23.85%	10.03%	674,563	725,155
Sub-total: Net Property Rates	3,040,233	3,040,233	1,697,989	2,862,840	3,540,277	3,540,277	16.45%	23.66%	56.58%	3,877,667	4,168,492
Penalties Imposed on Property Rates	58,039	58,039	39,514	71,990	62,392	62,392	7.50%	-13.33%	1.00%	67,071	72,101
Interest Earned - Outstanding Debtors	20,729	20,729	13,067	20,183	20,729	20,729	0.00%	2.70%	0.33%	22,284	23,955
Sub-total: Penalties and Interest on Debtors	78,768	78,768	52,581	92,173	83,121	83,121	5.53%	-9.82%	1.33%	89,355	96,056
Rent of Facilities and Equipment - Other	14,237	14,237	6,133	12,751	280	280	-98.04%	-97.81%	0.00%	294	308
Sub-total: Rent of Facilities and Equipment	14,237	14,237	6,133	12,751	280	280	-98.04%	-97.81%	0.00%	294	308
Interest Earned - Current Investment Portfolio	170,000	170,000	96,975	185,625	195,500	195,500	15.00%	5.32%	3.12%	215,050	231,179
Sub-Total: Interest Earned	170,000	170,000	96,975	185,625	195,500	195,500	15.00%	5.32%	3.12%	215,050	231,179
Final Notice Fees	45,229	45,229	21,514	31,087	56,536	56,536	25.00%	81.86%	0.90%	59,419	62,331
Disconnection Fees	72,460	72,460	9,104	15,670	33,385	33,385	-53.93%	113.05%	0.53%	35,088	36,807
Other Fines	290	290	99	306	290	290	0.00%	-5.13%	0.00%	305	320
Sub-Total: Fines	117,979	117,979	30,718	47,063	90,211	90,211	-23.54%	91.68%	1.44%	94,812	99,458
Licenses & Permits	3,280	3,280	1,704	4,473	3,330	3,330	1.52%	-25.56%	0.05%	3,500	3,671
Income from Agency Services	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Equitable Share	41,267	41,267	30,948	41,267	924,656	924,656	2140.68%	2140.68%	14.78%	954,590	976,265
RSC Levy Replacement / Fuel Levy	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Finance Management Grant	1,250	1,250	611	1,250	1,250	1,250	0.00%	0.00%	0.02%	1,250	1,250
Sub-Total: Operating Grants	42,517	42,517	31,559	42,517	925,906	925,906	2077.74%	2077.74%	14.80%	955,840	977,515
Fuel Levy	1,363,911	1,363,911	909,274	1,363,911	1,406,096	1,406,096	3.09%	3.09%	22.47%	1,487,764	1,556,201
Other Sundry Income	9,446	9,446	25,050	31,685	7,691	7,691	-18.57%	-75.73%	0.12%	8,083	8,480
Sub-Total: Other Income	1,373,357	1,373,357	934,324	1,395,596	1,413,787	1,413,787	2.94%	1.30%	22.59%	8,083	8,480
Gain on Sale of Assets	5,000	5,000	-	-	5,000	5,000	0.00%	100.00%	0.08%	5,255	5,512
TOTAL OPERATING INCOME	4,845,370	4,845,370	2,851,983	4,643,039	6,257,411	6,257,411	29.14%	34.77%	100.00%	6,737,619	7,146,872
Internal Recoveries	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	4,845,370	4,845,370	2,851,983	4,643,039	6,257,411	6,257,411	29.14%	34.77%	100.00%	6,737,619	7,146,872

FINANCE DEPARTMENT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2013/14				2014/15	2015/16
EXPENDITURE											
Employee Related Costs - Salaries & Wages	431,788	353,514	150,450	406,780	408,100	408,100	15.44%	0.32%	28.93%	424,865	452,056
Employee Related Costs - Overtime	9,298	9,298	4,883	7,790	9,996	9,996	7.50%	28.31%	0.71%	10,655	11,337
Employee Related Costs - Additional Positions	62,641	62,641	-	-	55,000	55,000	-12.20%	100.00%	3.90%	58,630	62,382
Employee Related Costs - Social Contributions	149,915	149,915	77,327	165,977	169,646	169,646	13.16%	2.21%	12.03%	177,577	188,941
Employee Related Costs - Salaries Capitalised	(1,628)	(1,628)	-	(1,628)	(1,788)	(1,788)	9.83%	9.83%	-0.13%	(1,906)	(2,028)
Sub-Total: Remuneration	652,013	573,740	232,660	578,919	640,953	640,953	11.71%	10.72%	45.43%	669,820	712,689
Bad Debts (Provision for Bad Debts) - additional target	355,709	355,709	190,110	395,221	318,716	318,716	-10.40%	-19.36%	22.59%	342,679	368,449
Sub-Total: Bad Debt Provision	355,709	355,709	190,110	395,221	318,716	318,716	-10.40%	-19.36%	22.59%	342,679	368,449
Collection Costs	152,261	151,464	52,516	150,404	156,207	156,207	3.13%	3.86%	11.07%	164,174	172,218
Depreciation - Existing Assets	19,920	19,920	11,620	9,861	20,782	20,782	4.33%	110.75%	1.47%	21,821	22,912
Sub-Total: Depreciation	19,920	19,920	11,620	9,861	20,782	20,782	4.33%	110.75%	1.47%	21,821	22,912
Repairs and Maintenance - External Contractors	18,167	20,955	2,504	6,449	18,335	18,335	-12.50%	184.31%	1.30%	19,270	20,214
Repairs and Maintenance - Internal Maintenance Teams	828	882	224	882	864	864	-2.08%	-2.08%	0.06%	920	979
Sub-Total: Repairs and Maintenance	18,994	21,837	2,728	7,331	19,198	19,198	-12.08%	161.89%	1.36%	20,190	21,193
Interest Expense - Current External Borrowings	196,168	196,168	179,398	202,710	229,324	229,324	16.90%	13.13%	16.26%	312,988	303,325
Sub-Total: Interest Expense	196,168	196,168	179,398	202,710	229,324	229,324	16.90%	13.13%	16.26%	312,988	303,325
Contracted Services - Existing Contracts	127,395	124,543	33,992	68,257	112,113	112,113	-9.98%	64.25%	7.95%	121,082	130,768
Sub-Total: Contracted Services	127,395	124,543	33,992	68,257	112,113	112,113	-9.98%	64.25%	7.95%	121,082	130,768
Grants & Subsidies Paid - Social/Educational/Sports	36,814	36,814	13,736	36,813	42,409	42,409	15.20%	15.20%	3.01%	45,590	49,009
Grants & Subsidies Paid - Eskom	400,000	400,000	-	400,000	400,000	400,000	0.00%	0.00%	28.35%	420,400	441,000
Grants & Subsidies Paid - Add rebates on Ass rates - pens	38,526	38,526	22,604	38,526	44,382	44,382	15.20%	15.20%	3.15%	47,710	51,289
Grants & Subsidies Paid - Free Basic Services - Indigents	21,625	21,625	12,561	21,625	24,912	24,912	15.20%	15.20%	1.77%	26,780	28,789
Sub-Total: Grants and Subsidies	496,964	496,964	48,901	496,964	511,703	511,703	2.97%	2.97%	36.27%	540,480	570,086
General Expenses	(747,394)	(760,965)	(337,544)	(796,525)	(624,489)	(624,489)	-17.93%	-21.60%	-44.27%	(645,650)	(674,952)
Grants Expenditure	1,250	1,250	611	1,250	1,250	1,250	0.00%	0.00%	0.09%	1,250	1,250
Impairment loss	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Loss on Sale of Assets	25,000	25,000	-	-	25,000	25,000	0.00%	100.00%	1.77%	25,000	25,000
TOTAL OPERATING EXPENDITURE	1,298,280	1,205,630	414,693	1,114,392	1,410,757	1,410,757	17.01%	26.59%	100.00%	1,573,835	1,652,939
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	1,298,280	1,205,630	414,693	1,114,392	1,410,757	1,410,757	17.01%	26.59%	100.00%	1,573,835	1,652,939
OPERATING SURPLUS/(DEFICIT)	3,547,090	3,639,741	2,437,290	3,528,647	4,846,655	4,846,655	33.16%	37.35%		5,163,784	5,493,933
Total Transfers to Cash-Backed Reserves	-	-	-	-	130,000	130,000	100.00%	100.00%		95,000	290,000
Total Transfers from Cash-Backed Reserves	5,874	5,874	3,427	5,874	6,168	6,168	5.00%	5.00%		6,476	6,800
NET OPERATING SURPLUS/(DEFICIT)	3,552,966	3,645,615	2,440,717	3,534,521	4,722,822	4,722,822	29.55%	33.62%		5,075,260	5,210,733

Capital budget of the Finance Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	8,000,000	-	-
Other Loan Funding	-	7,300,000	-
Revenue	5,490,000	4,740,000	6,740,000
Total	13,490,000	12,040,000	6,740,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Germiston	8,000,000	7,300,000	-
Tembisa	-	-	1,000,000
Tsakane	-	-	1,000,000
Operational Equipment	5,490,000	4,740,000	4,740,000
Total	13,490,000	12,040,000	6,740,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
CBD	8,000,000	7,300,000	-
Underdeveloped	-	-	2,000,000
Operational Equipment	5,490,000	4,740,000	4,740,000
Total	13,490,000	12,040,000	6,740,000

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R13,4m.

Except for operational capital needs (IT, furniture and vehicles), the following projects are budgeted:

- R8m for the upgrading and renewal of the Central Procurement Office at the Germiston Stores
- R750 000 for the ACL Audit Exchange Software

The upgrading and renewal of the CPO at Germiston Stores will realize a clean and effective administration of the Supply Chain administration in terms of the IDP/SDBIP target. The project has commenced in the current financial year.

The operational equipment that will be acquired will be ICT equipment, office furniture, vehicles and ACL audit exchange software all of which will lead to IDP/SDBIP targets

such as the completeness of revenue, optimization of collections, increased revenue, cost management, procurement management and a clean and effective administration.

2.10.11 Fleet Management

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Fleet Management Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Establishment of a functional fleet management unit	<ul style="list-style-type: none"> • Setting up of Fleet Management Unit and strategy conceptualization • Completion of the strategy and organisational structure

Operating budget of the Fleet Management Department

The Fleet Management budget comprises the cost of the section responsible for the management of the council owned fleet, but NOT the cost of the vehicles itself. The operational cost (fuel, tyres, repairs and maintenance, etc.) is budgeted for under the departments that are utilising the vehicles to ensure true cost reflection of services. The acquisition of vehicles is also budgeted for under the departments and not the fleet management cost centre.

The cost is therefore mainly comprised of salaries and overhead costs.

Table 64: Operating budget of the Fleet Management Department

FLEET MANAGEMENT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2013/14				2014/15	2015/16
INCOME											
Other Sundry Income	-	-	-	-	1	1	100.00%	100.00%	100.00%	1	1
Sub-Total: Other Income	-	-	-	-	1	1	100.00%	100.00%	100.00%	1	1
TOTAL OPERATING INCOME	-	-	-	-	1	1	100.00%	100.00%	100.00%	-	-
Internal Recoveries	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	-	-	-	-	1	1	100.00%	100.00%	100.00%	1	1
EXPENDITURE											
Employee Related Costs - Salaries & Wages	50,734	50,734	26,370	45,081	56,803	56,803	11.96%	26.00%	158.63%	60,552	64,427
Employee Related Costs - Overtime	2,081	2,081	2,742	2,070	2,237	2,237	7.50%	8.07%	6.25%	2,385	2,538
Employee Related Costs - Social Contributions	13,370	13,370	6,860	12,493	13,461	13,461	0.67%	7.75%	37.59%	14,349	15,267
Employee Related Costs - Salaries Capitalised	(1,271)	(1,271)	-	(1,271)	(1,396)	(1,396)	9.83%	9.83%	-3.90%	(1,488)	(1,583)
Employee Related Costs - Salaries to R and M Internal	(52,310)	(52,310)	(13,696)	(52,310)	(43,236)	(43,236)	-17.35%	-17.35%	-120.74%	(46,089)	(49,039)
Sub-Total: Remuneration	12,604	12,604	22,277	6,063	27,869	27,869	121.11%	359.67%	77.83%	29,708	31,610
Depreciation - Existing Assets	1,008	1,008	588	-	1,048	1,048	4.00%	100.00%	2.93%	1,100	1,155
Sub-Total: Depreciation	1,008	1,008	588	-	1,048	1,048	4.00%	100.00%	2.93%	1,100	1,155
Repairs and Maintenance - External Contractors	1,471	1,536	811	1,362	1,898	1,898	23.57%	39.37%	5.30%	1,995	2,093
Repairs and Maintenance - Internal Maintenance Teams	836	866	208	854	660	660	-23.75%	-22.69%	1.84%	704	749
Sub-Total: Repairs and Maintenance	2,307	2,402	1,019	2,216	2,558	2,558	6.51%	15.46%	7.14%	2,699	2,842
Contracted Services - Existing Contracts	90	90	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Contracted Services	90	90	-	-	-	-	-100.00%	0.00%	0.00%	-	-
General Expenses	3,391	3,646	2,353	2,875	4,333	4,333	18.84%	50.73%	12.10%	4,651	4,990
TOTAL OPERATING EXPENDITURE	19,400	19,750	26,236	11,153	35,808	35,808	81.31%	221.06%	100.00%	38,158	40,597
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	19,400	19,750	26,236	11,153	35,808	35,808	81.31%	221.06%	100.00%	38,158	40,597
OPERATING SURPLUS/(DEFICIT)	(19,400)	(19,750)	(26,236)	(11,153)	(35,807)	(35,807)	81.30%	221.05%		(38,157)	(40,596)
Total Transfers from Cash-Backed Reserves	15,697	15,697	9,157	15,697	16,482	16,482	5.00%	5.00%		17,306	18,171
NET OPERATING SURPLUS/(DEFICIT)	(3,703)	(4,053)	(17,079)	4,544	(19,325)	(19,325)	376.83%	-525.31%		(20,851)	(22,424)

Capital budget of the Fleet Management Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	15,000,000		
Revenue	6,550,000	10,435,000	25,005,000
Total	21,550,000	10,435,000	25,005,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Corporate	3,500,000	7,735,000	21,105,000
Operational Equipment	18,050,000	2,700,000	3,900,000
Total	21,550,000	10,435,000	25,005,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	3,500,000	7,735,000	21,105,000
Operational Equipment	18,050,000	2,700,000	3,900,000
Total	21,550,000	10,435,000	25,005,000

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R21,5m.

R15m for the procurement of the fuel, tracking and fleet management system.

2.10.12 Health and Social Development

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Health and Social Development Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
ARV Services	Increase access to 80% of HIV-positive clients visiting Ekurhuleni Healthcare Facilities by increasing the number of clinics providing ARV services.
Health Care Facilities	Increase access to Primary Health Care and Social Services through building and appointments of personnel for new facilities.
Environmental Health - rodent control	Reduce rodent infestation in Ekurhuleni by implementing a funded Rodent Control Strategy.
Indigent Management	Increase the number of registered indigents by increasing the number of campaigns and access points for registrations.

Operating budget of the Health and Social Development Department

The department is responsible for the rendering of Primary Health Care Services, Environmental Health Services as well as the Community Development function

The Health and Social Development department is partly funded by the Gauteng Provincial Government for the provision of a primary health care function. The majority of the cost of the department, however, is subsidised from assessment rates.

The main cost drivers are salaries and cost of provision of Primary Health Care services at the clinics. Six (6) clinics render 24 hour services and are subsidised by Gauteng Department of Health & Social Development. Sixteen (16) health facilities render Saturday services. The operating cost for the multi-sectorial unit is funded from assessment rates.

The number of new clinics that are being constructed on an annual basis will have to be reviewed as the financial sustainability of the additional clinics over the medium term is questioned. If the provincial health subsidy does not increase proportionally, the upward pressure placed on assessment rate tariffs will make the tariffs unaffordable to the community.

The operating budget per category is attached hereto.

Table 65: Operating budget of the Health and Social Development Department

HEALTH AND SOCIAL DEVELOPMENT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2013/14				2014/15	2015/16
INCOME											
Other Fines	33	33	3	-	180	180	445.45%	100.00%	0.10%	189	198
Sub-Total: Fines	33	33	3	-	180	180	445.45%	100.00%	0.10%	189	198
Licenses & Permits	359	359	186	384	128	128	-64.29%	0.07%	0.07%	135	141
Operating Grants & Subsidies - Other	9,988	10,272	6,402	10,272	10,487	10,487	2.09%	2.09%	5.61%	11,018	11,601
Equitable Share	63,182	63,182	47,383	3,734	3,734	3,734	-94.09%	-94.09%	2.00%	3,925	4,117
Health Subsidies	108,067	96,067	48,818	96,067	104,395	104,395	8.67%	8.67%	55.89%	111,952	117,885
Sub-Total: Operating Grants	181,237	169,521	102,602	169,521	118,616	118,616	-30.03%	0.00%	63.51%	126,895	133,603
Capital Grants - Other	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Municipal Infrastructure Grant for Cities	-	-	-	-	66,860	66,860	100.00%	35.80%	0.00%	76,450	125,200
Community Care Centres	10,000	3,907	2,745	3,907	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Capital Grants	10,000	3,907	2,745	3,907	66,860	66,860	1611.46%	1611.46%	35.80%	76,450	125,200
Other Sundry Income	1,102	2,717	240	265	990	990	-63.56%	274.18%	0.53%	1,040	1,091
Sub-Total: Other Income	1,102	2,717	240	265	990	990	-63.56%	274.18%	0.53%	1,040	1,091
TOTAL OPERATING INCOME	192,731	176,537	105,775	174,077	186,775	186,775	5.80%	7.29%	100.00%	204,709	260,234
NET OPERATING INCOME	192,731	176,537	105,775	174,077	186,775	186,775	5.80%	7.29%	100.00%	204,709	260,234
EXPENDITURE											
Employee Related Costs - Salaries & Wages	427,413	422,439	239,512	398,511	486,814	486,814	15.24%	22.16%	63.88%	518,944	552,166
Employee Related Costs - Overtime	2,588	5,588	3,153	2,182	5,782	5,782	3.47%	164.96%	0.76%	6,163	6,558
Employee Related Costs - Social Contributions	105,680	104,858	59,442	104,149	122,085	122,085	16.41%	17.20%	16.02%	130,121	138,449
Employee Related Costs - Salaries Capitalised	(1,372)	(1,372)	-	-	(1,507)	(1,507)	9.83%	-0.20%	(1.709)	(653,622)	(695,463)
Sub-Total: Remuneration	534,308	531,512	302,107	503,469	613,163	613,163	15.36%	21.79%	80.46%	653,622	695,463
Depreciation - Existing Assets	35,282	35,282	20,581	113,367	36,694	36,694	4.00%	-67.63%	4.81%	38,528	40,455
Sub-Total: Depreciation	35,282	35,282	20,581	113,367	36,694	36,694	4.00%	-67.63%	4.81%	38,528	40,455
Repairs and Maintenance - External Contractors	6,180	5,008	2,304	4,495	5,562	5,562	11.06%	23.73%	0.73%	5,846	6,132
Repairs and Maintenance - Internal Maintenance Teams	1,532	4,128	2,946	3,637	1,394	1,394	-66.23%	-61.66%	0.18%	1,486	1,581
Sub-Total: Repairs and Maintenance	7,712	9,137	5,250	8,132	6,956	6,956	-23.87%	-14.46%	0.91%	7,332	7,713
Interest Expense - Current External Borrowings	35,707	35,707	10,352	35,707	41,771	41,771	16.98%	16.98%	5.48%	57,010	55,250
Sub-Total: Interest Expense	35,707	35,707	10,352	35,707	41,771	41,771	16.98%	16.98%	5.48%	57,010	55,250
Contracted Services - Existing Contracts	2,693	4,531	1,395	2,435	3,161	3,161	-30.24%	29.84%	0.41%	3,414	3,687
Sub-Total: Contracted Services	2,693	4,531	1,395	2,435	3,161	3,161	-30.24%	29.84%	0.41%	3,414	3,687
Grants & Subsidies Paid - Social/Educational/Sports	525	525	136	315	1,140	1,140	117.14%	261.90%	0.15%	1,198	1,257
Grants & Subsidies Paid - Free Basic Services - Indigents	840	840	198	504	2,594	2,594	208.86%	414.76%	0.34%	2,727	2,860
Sub-Total: Grants and Subsidies	1,365	1,365	334	819	3,734	3,734	173.58%	355.97%	0.49%	3,925	4,117
General Expenses	40,370	40,714	16,678	38,601	46,125	46,125	13.29%	19.49%	6.05%	48,836	51,513
Grants Expenditure	9,988	10,272	6,162	10,272	10,487	10,487	2.09%	1.38%	1.38%	11,018	11,601
TOTAL OPERATING EXPENDITURE	667,425	668,521	362,880	712,803	762,082	762,082	14.00%	6.91%	100.00%	823,685	869,789
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	667,425	668,521	362,880	712,803	762,082	762,082	14.00%	6.91%	100.00%	823,685	869,789
OPERATING SURPLUS/(DEFICIT)	(474,694)	(491,984)	(267,105)	(538,726)	(575,307)	(575,307)	16.94%	6.79%	6.79%	(618,976)	(609,565)
Contribution to Capital Budget	10,000	3,907	-	10,000	66,860	66,860	1611.46%	568.60%	0.00%	76,450	125,200
Total Transfers from Cash-Backed Reserves	4,067	4,067	2,372	4,067	4,270	4,270	5.00%	5.00%	0.00%	4,483	4,708
NET OPERATING SURPLUS/(DEFICIT)	(480,627)	(491,824)	(254,733)	(544,659)	(637,897)	(637,897)	29.70%	17.12%	6.79%	(680,942)	(730,047)

Capital budget of the Health and Social Development Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	3,200,000		
Other Loan Funding		35,000,000	25,100,000
Other Provincial Grant			
USDG	66,860,000	76,450,000	125,200,000
Revenue	21,350,000	17,750,000	13,500,000
Total	91,410,000	129,200,000	163,800,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Benoni		1,000,000	9,000,000
Boksburg	6,000,000	100,000	
Corporate	6,850,000	7,700,000	7,100,000
Daveyton	700,000		
Edenvale	-	2,000,000	9,000,000
Etwatwa	2,500,000	2,100,000	12,000,000
Germiston	200,000	11,300,000	13,000,000
Katlehong	17,110,000	17,100,000	12,050,000
Katlehong 2	10,650,000	17,000,000	12,000,000
Kempton Park	50,000	8,850,000	28,000,000
KwaThema	3,300,000	9,100,000	14,000,000
Nigel	6,100,000	100,000	
Operational Equipment	20,000,000	16,150,000	12,400,000
Tembisa	500,000	5,100,000	18,000,000
Tembisa 2	100,000	2,100,000	16,000,000
Tsakane	1,350,000	1,500,000	1,100,000
Vosloorus	16,000,000	28,000,000	150,000
Total	91,410,000	129,200,000	163,800,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	4,850,000	5,700,000	5,100,000
CBD / Developed, Residential	50,000	7,750,000	15,000,000
Developed, Residential	-	2,100,000	13,000,000
Operational Equipment	20,000,000	16,150,000	12,400,000
Underdeveloped	66,510,000	97,500,000	118,300,000
Total	91,410,000	129,200,000	163,800,000

Expected outcomes from the implementation of the Capital budget

The key performance areas of the department are:

- Primary health care
- Community development
- Special programmes

The total budget for the department is R91,4m. A number of clinics are at various stages of design and construction. The department is planning to continue with the construction of 3 new clinics (Alra Park, Tamaho and Reiger Park) that were initiated in 2012/13 and to initiate a further 3 new clinics (Dukathole, Villa Liza & Tsietsi Phomolong South) in 2013/14.

Construction of 5 replacement clinics, extensions to clinics and upgrades to clinics (Tswelopele, Motsamai, Joy, White City & Palm Ridge) will be continued with, whilst 2 additional projects (Selope Thema and Esangweni) will be initiated.

2.10.13 Human Resources Management and Development

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Department

A key strategic project of the Department Human Resources Management and Development is the finalisation of the institutional review programme.

The organization is currently using the combination of two structures which are not fully implemented. The non-completion of the entire process has had a negative impact on service delivery, hence the metro commenced with an institutional review process to create a single organization with the requisite skills and competencies to give effect to better service delivery. The elements of the institutional review are:

- Macro and micro structure
- Strategic alignment and business process
- Migration of staff
- Functional analysis

The IR Project Phase II started planning and engaging with departments prior to approval of the final Top Structure report by Council. This meant that the process had to start with departments that are deemed less contentious – thereby avoiding unnecessary cost and delays especially during low energy periods and the end of beginning of the year.

The second grouping of departments was those that are new or deemed critical. An additional consideration in terms of prioritisation was the departments grouped together in the proposed cluster model under long term strategic direction (namely: Institutional Strategy, Economic Development, Environmental Resource Management and City Planning). Some departments were deliberately pushed to Roll Out 3, such as Procurement (in Finance) due to operational pressures in that department.

The departments that have not yet been approached are being prioritised based on cluster groups, core social and core infrastructure. The IR Project is aiming to have as much of the design of structure done by end July 2013. However, it is likely that role profiling of those departments will however not be concluded by July. The cluster integration sessions - impacting some overlaps and the support business leg with in each department will also need final conclusion in the period July – October 2013.

The following schedule is reflecting an overview of the progress made with regard to the IR process as at February 2013:

	DEPARTMENT		Planned Completion Date
Roll Out 1: Oct 2012 – March 2013			
1	Communications and Brand Management	95%	Feb
1	Corporate Legal Services	95%	Feb
1	Facilities Management and Real Estate	95%	April
1	Fleet Management	60%	April
1	Human Resources Management and Development	70%	Feb
1	Risk Management	95%	Feb
1	Transport	25%	April
Roll Out 2: Dec 2012 – May 2013			
2	City Planning	40%	March
2	Disaster and Emergency Management Services (DEMS)	25%	April
2	Economic Development	40%	April
2	Environmental Resource Management (ERM)	30%	April
2	Roads & Storm Water	25%	May
2	Sports, Recreation, Arts and Culture (SRAC)	25%	April
2	Strategy and Corporate Planning	45%	April
2	Waste Management	30%	April
2	Water and Sanitation	30%	March
Roll Out 3: May 2013 – Sept 2013			
3	Customer Relations Management (CRM)	0%	April
3	Ekurhuleni Metropolitan Police (EMPD)	0%	April
3	Energy	0%	June
3	Enterprise Programme Management Office (EPMO)	0%	September
3	Executive Secretariat	0%	September
3	Finance (including Supply Chain)	0%	June
3	Health & Social Development	0%	July
3	Human Settlement	5%	September
3	Information Communications Technology (ICT)	0%	September
3	Internal Audit	0%	August
3	Office of the City Manager	0%	July
3	Political Office	0%	August

Another key strategic project of the department is the compilation of a HR strategy. The HR strategy will include the following components:

- Strategies from a Human Capital perspective to support the GDS 2055
- Ensure Statutory and Regulatory compliance
- Develop a strategy driven and dynamic EMM structure.
- Promote and preserve HR Professionalism
- Build and manage a Performance Culture
- Build and maintain sound Labour relations
- Alignment and support all Flagship projects
- Development of a costing model that will project the future year cost implications of staff appointments, inclusive of post-retirement benefits

Operating budget of the Human Resources Management and Development Department

The main cost driver of the department is personnel costs which comprises 70.10% of the total operating budget of the department.

The department is also responsible for the advertising and filling of positions, generic training programmes, addressing labour matters and facilitating employee wellbeing programmes, with subsequent cost and budgetary provision of the services.

Capital budget of the Human Resources Management and Development Department

An amount of R540 000 for the 2013/14, R592 000 for the 2014/15 and R910 000 for the 2015/16 financial years have been provided for operational equipment for the Human Resource Management and Development department.

Table 66: Operating budget of the Human Resources Management and Development Department

HUMAN RESOURCES MANAGEMENT & DEVELOPMENT										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16	B to B	P to B	Of Total
INCOME										
Operating Grants & Subsidies - Other	19,149	19,149	6,694	19,149	21,002	22,388	23,821	9.68%	9.68%	100.00%
Sub-Total: Operating Grants	19,149	19,149	6,694	19,149	21,002	22,388	23,821	9.68%	9.68%	100.00%
Community Care Centres	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Sub-Total: Capital Grants	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Other Sundry Income	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Sub-Total: Other Income	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
TOTAL OPERATING INCOME	19,149	19,149	6,694	19,149	21,002	22,388	23,821	9.68%	9.68%	100.00%
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
NET OPERATING INCOME	19,149	19,149	6,694	19,149	21,002	22,388	23,821	9.68%	9.68%	100.00%
EXPENDITURE										
Employee Related Costs - Salaries & Wages	96,444	96,444	51,207	84,113	103,886	110,742	117,830	7.72%	23.51%	58.09%
Employee Related Costs - Overtime	285	285	122	97	306	326	347	0.17%	214.82%	0.17%
Employee Related Costs - Social Contributions	20,064	20,064	11,366	19,828	21,313	22,719	24,173	6.22%	7.49%	11.92%
Employee Related Costs - Salaries Capitalised	(127)	(127)	-	(127)	(140)	(149)	(159)	9.83%	9.83%	-0.08%
Sub-Total: Remuneration	116,665	116,665	62,695	103,912	125,364	133,638	142,191	7.46%	20.65%	70.10%
Depreciation - Existing Assets	818	818	477	3,601	851	893	938	4.00%	-76.37%	0.48%
Sub-Total: Depreciation	818	818	477	3,601	851	893	938	4.00%	-76.37%	0.48%
Repairs and Maintenance - External Contractors	1,186	1,112	709	1,073	1,183	1,244	1,304	6.39%	10.29%	0.66%
Repairs and Maintenance - Internal Maintenance Teams	104	276	214	272	113	120	128	-59.25%	-58.58%	0.06%
Sub-Total: Repairs and Maintenance	1,290	1,388	922	1,344	1,296	1,363	1,432	-6.66%	-3.63%	0.72%
Contracted Services - Existing Contracts	6,847	6,920	237	3,546	8,016	8,657	9,350	15.83%	126.06%	4.48%
Sub-Total: Contracted Services	6,847	6,920	237	3,546	8,016	8,657	9,350	15.83%	126.06%	4.48%
Grants & Subsidies Paid - Social/Educational/Sports	18,360	14,860	3,739	12,253	21,300	22,386	23,483	43.34%	73.83%	11.91%
General Expenses	19,718	21,113	2,534	8,374	21,997	23,046	24,288	4.19%	162.89%	12.30%
TOTAL OPERATING EXPENDITURE	163,698	161,764	70,606	133,030	178,824	189,985	201,683	10.55%	34.42%	100.00%
Internal Transfers:										
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
NET OPERATING EXPENDITURE	163,698	161,764	70,606	133,030	178,824	189,985	201,683	10.55%	34.42%	100.00%
OPERATING SURPLUS/(DEFICIT)	(144,549)	(142,616)	(63,912)	(113,881)	(157,822)	(167,596)	(177,861)	10.66%	38.58%	(177,861)
Total Transfers from Cash-Backed Reserves	546	546	318	546	573	602	632	5.00%	5.00%	632
NET OPERATING SURPLUS/(DEFICIT)	(144,003)	(142,070)	(63,594)	(113,336)	(157,249)	(166,995)	(177,230)	10.68%	38.75%	(177,230)

2.10.14 Human Settlements

The result statements of the department is contained in the IDP in Annexure A

Key Projects of the Department

The implementation of the informal settlement management plan

Purpose - This plan will enable the metro to manage informal settlement in a more comprehensive and an integrated manner and also create great access to basic municipal services to people living in Informal settlements

Progress - Monthly Inter departmental meetings are held to discuss, plan and assess the provision of basic municipal; services to all informal settlements. Departments are being encouraged to budget for services in the informal settlements. Service departments have submitted their annual plans for service to be rendered in the informal settlements. There are scheduled dates for site visits to the various informal settlements areas

The National Department of Human Settlement has been requested through the National Upgrading Support Programme (NUSP) to develop eighteen service delivery intervention plans (business plans) NUSP is in the process of appointing consultants to develop those business plans.

The department has also called for quotations for the development of additional business plans. The number of business plans to be developed will be determined by the value of the tender.

Planned activities for new financial year:

- To continue with the monthly inter departmental meetings and planned site visits to the informal settlements areas
- To ensure that all service departments budget for services to be rendered in the informal settlements
- To establish the various local structures –that is, ward base, customer care area base and metro wide informal settlement structures
- To develop additional business plans for the remaining category c informal settlements

Other Strategic Projects of the Human Settlements Department

PROJECT NAME	PROJECT DESCRIPTION
Development of Human Settlement development strategy (MHDP)	This is a plan that should be aligned to the Growth and Development Strategy of the metro which specifies a number of key programmes to be implemented to achieve human settlement objectives in line with the GDS (creation of integrated settlement and infrastructure master plan).The HSDP is complete and has been submitted to various clusters for comments. It is now awaiting mayoral and council approval.
Finalization of informal settlement management plan	This plan would enable the metro to manage informal settlement in a more comprehensive and an integrated manner and also create great access to basic services to people living in Informal settlements.

<p>Development of the township revitalization and renewal strategy and plans</p>	<p>This would give direction and guidance in terms of investment and development of the township to achieve economic growth, social cohesion and facelift of townships. - The Tembisa Urban Regeneration study, comprising of a development framework and business plan is complete and phase 1 “quick win’ projects are being implemented in the current financial year.</p> <p>The draft plan for Germiston is also complete. It is currently being circulated for comments prior submission to council for approval.</p> <p>The draft development frameworks and business plans for the three townships (Wattville/Actonville, Daveyton/Etwatwa and Kwatsaduza) are also complete and being circulated for comments. The report for Katorus is outstanding due to further geological and bulk infrastructure studies that are required prior to finalisation of business plans.</p>
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The operating budget per category is attached hereto.

Table 67: Operating budget of the Human Settlements Department

HUMAN SETTLEMENT										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	P to B	Of Total	2014/15	2015/16
INCOME										
Rent of Facilities and Equipment - Other	32,385	32,385	19,219	28,720	33,004	1.91%	14.92%	11.21%	34,688	36,387
Sub-total: Rent of Facilities and Equipment	32,385	32,385	19,219	28,720	33,004	1.91%	14.92%	11.21%	34,688	36,387
Operating Grants & Subsidies - Other	-	38,350	-	38,350	191,982	400.60%	400.60%	65.18%	-	-
Finance Management Grant	-	2,460	397	2,460	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Operating Grants	-	40,810	397	40,810	191,982	370.43%	370.43%	65.18%	-	-
Capital Grants - Other	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Neighborhood Development Partnership Grant	-	-	-	-	10,000	100.00%	100.00%	3.40%	70,000	75,000
Municipal Infrastructure Grant for Cities	8,000	53,818	5,132	53,818	36,000	-33.11%	-33.11%	12.22%	30,000	70,000
Community Care Centres	49,683	831	462	831	23,550	2735.32%	2735.32%	8.00%	20,000	30,000
Sub-Total: Capital Grants	57,683	54,649	5,593	54,649	69,550	27.27%	27.27%	23.61%	120,000	175,000
Other Sundry Income	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Other Income	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	90,068	127,844	25,210	124,178	294,536	130.39%	137.19%	100.00%	154,688	211,387
Internal Recoveries	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	90,068	127,844	25,210	124,178	294,536	130.39%	137.19%	100.00%	154,688	211,387

HUMAN SETTLEMENT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	P to B	%	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	%	P to B	%	2014/15	2015/16
EXPENDITURE											
Employee Related Costs - Salaries & Wages	93,013	91,013	30,746	49,701	106,132	16.61%	113.54%	16.94%	16.94%	113,137	120,378
Employee Related Costs - Overtime	636	636	467	552	684	7.50%	23.92%	0.11%	0.11%	729	776
Employee Related Costs - Social Contributions	14,334	14,334	7,445	13,712	15,705	9.57%	14.54%	2.51%	2.51%	16,741	17,813
Employee Related Costs - Salaries Capitalised	(35,420)	(35,420)	-	(35,420)	(38,903)	9.83%	9.83%	-6.21%	-6.21%	(41,471)	(44,125)
Sub-Total: Remuneration	72,563	70,563	38,658	28,544	83,618	18.50%	192.94%	13.34%	13.34%	89,136	94,841
Bad Debts (Provision for Bad Debts) - current trends	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-	-
Bad Debts (Provision for Bad Debts) - additional target	2,212	2,212	1,521	4,237	1,922	-13.10%	-54.64%	0.31%	0.31%	2,020	2,119
Sub-Total: Bad Debt Provision	2,212	2,212	1,521	4,237	1,922	-13.10%	-54.64%	0.31%	0.31%	2,020	2,119
Depreciation - Existing Assets	76,163	76,163	44,428	17,146	79,209	4.00%	361.96%	12.64%	12.64%	83,170	87,328
Sub-Total: Depreciation	76,163	76,163	44,428	17,146	79,209	4.00%	361.96%	12.64%	12.64%	83,170	87,328
Repairs and Maintenance - External Contractors	22,108	22,158	12,636	15,484	23,893	7.83%	54.31%	3.81%	3.81%	25,111	26,342
Repairs and Maintenance - Internal Maintenance Teams	305	305	153	305	328	7.49%	7.49%	0.05%	0.05%	349	371
Sub-Total: Repairs and Maintenance	22,412	22,462	12,789	15,789	24,220	7.83%	53.40%	3.86%	3.86%	25,461	26,713
Interest Expense - Current External Borrowings	108,836	108,836	21,907	108,836	127,320	16.98%	16.98%	20.32%	20.32%	173,770	168,405
Sub-Total: Interest Expense	108,836	108,836	21,907	108,836	127,320	16.98%	16.98%	20.32%	20.32%	173,770	168,405
Grants & Subsidies Paid - Entities	33,500	33,500	31,750	33,500	3,500	-89.55%	-89.55%	0.56%	0.56%	3,679	3,859
Sub-Total: Grants and Subsidies	33,500	33,500	31,750	33,500	3,500	-89.55%	-89.55%	0.56%	0.56%	3,679	3,859
General Expenses	70,150	80,225	68,202	79,488	114,925	43.25%	44.58%	18.34%	18.34%	130,668	140,213
Grants Expenditure	-	40,810	397	40,810	191,982	370.43%	370.43%	30.63%	30.63%	-	-
TOTAL OPERATING EXPENDITURE	385,835	434,770	219,653	328,349	626,696	44.14%	90.86%	100.00%	100.00%	507,903	523,478
Internal Transfers:											
Internal Charges	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	385,835	434,770	219,653	328,349	626,696	44.14%	90.86%	100.00%	100.00%	507,903	523,478
OPERATING SURPLUS/(DEFICIT)	(295,767)	(306,926)	(194,443)	(204,171)	(332,160)	8.22%	62.69%			(353,215)	(312,090)
Contribution to Capital Budget	57,683	54,649	-	82,996	69,550	27.27%	-16.20%			120,000	175,000
Total Transfers from Cash-Backed Reserves	36,495	36,495	21,289	36,495	6,820	-81.31%	-81.31%			7,161	7,519
NET OPERATING SURPLUS/ (DEFICIT)	(316,955)	(325,080)	(173,154)	(250,672)	(394,890)	21.47%	57.53%			(466,054)	(479,571)

Capital budget of the Human Settlements Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
HSDG	23,550,000	20,000,000	30,000,000
Other National Grants	10,000,000	70,000,000	75,000,000
Revenue	980,000	980,000	1,080,000
USDG	36,000,000	30,000,000	70,000,000
Total	70,530,000	120,980,000	176,080,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Corporate	59,550,000	50,000,000	100,000,000
Operational Equipment	980,000	980,000	1,080,000
Tembisa	10,000,000	70,000,000	75,000,000
Total	70,530,000	120,980,000	176,080,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	59,550,000	50,000,000	100,000,000
Operational Equipment	980,000	980,000	1,080,000
Underdeveloped	10,000,000	70,000,000	75,000,000
Total	70,530,000	120,980,000	176,080,000

Expected outcomes from the implementation of the Capital budget

The Human Settlements Department is responsible for the planning, development, implementation and creation of sustainable human settlements in Ekurhuleni.

The total departmental budget for 2013/14 is R70,5m. Significant Projects include:

- R15m - Acquisition of Land for New Human Settlements – Unspent grants received in previous years
- R20m - for the Tembisa Urban Renewal
- R23,5m – for the Human Settlements Feasibility and Pre Planning Studies
- R21m has been allocated to address the upgrading and refurbishment of rental stock owned by Council within various CCC.

Budget of Ekurhuleni Development Company

The Budget of the EDC is presented as a consolidated budget for the 4 entities:

- Ekurhuleni Development Company (Management Company)
- Pharo Park
- Phase II
- Lethabong Housing Institute.

The entity has paid off long term loans on the properties owned by the entity. The properties were paid over 20 years and depreciation is charged over 50 years. This created an in balance in the budget and puts huge pressure on the cash flow of the entity. EMM assisted EDC in year 2012/13 with a once off grant of R30 million and the long term loans have since been fully settled. The settlement of loans will improve the entity's financial position and liquidity. The annual operating grant to the EDC has been reduced from the current R6.5m per year to R3.5m per year over the MTREF period.

The EDC will as a matter of priority start working on the merging of the companies to ensure VAT efficiencies are achieved.

Assumptions Underpinning the budget

The assumptions and guidelines used in compiling the draft budget are as follows:

Income:

- A 10 % tariff increase was used as a basis for determining the income for the 2013/14 year.

Expenditure:

- Salaries (7.5%)
- Repairs & Maintenance: 6%
- General Expenditure 4% increase
- Collection costs: 0% increase
- Bulk services: In line with increase of service providers
- Contracted Services: Actual as per contracts
- The Grant going forward has been reduced based on the above to R 3.5m per annum.
- EDC's costs as the management company will be recovered from the other entities based on the services provided.
- No increase in the number of units has been factored into the budget. Any transfer of units from EMM has not been included as this has not yet been finalised.
- The group still continues to be squeezed by cost increases which are above inflationary increases and are market related whilst our income stream is regulated, as a result of the rental being subsidized, as the entities provide social housing units.

Capital Budget

The total capital budget amounts to R 210 000 which is mainly to replace equipment that will have reached the end of their useful lives.

Operating Budget

- Rental Income has been increased by 10% for the next three years.
- The Grant from EMM received in the 2011-2012 financial year will result in a decrease in expenses with respect to interest paid on the mortgage bonds. This will lead to positive cash flows.

- EMM bulk services have been adjusted to current charges and we have only increased this by 10% pa.
- Bad debts provisions have increased as the arrears are unlikely to be collected as evictions continue.
- Office rental costs have increased dramatically as EDC was forced to move offices due to violent tenant protests.

Table 68: Budget of Ekurhuleni Development Company

EKURHULENI DEVELOPMENT COMPANY CONSOLIDATED													
FINANCIAL PERIOD	F-03 2009/10	F-02 2010/11	F-01 2011/12	F00 ORG BUDGET	F00 ADJ BUDGET	F00 YEAR TO DATE	F00 PROJECTED	F01 2012/13	% B to B	% P to B	% Of Total	F02 2014/15	F03 2015/16
Interest Earned - Outstanding Debtors	0	0	0	110,000	110,000	0	110,000	121,000	10.00%	10.00%	0.23%	133,000	146,000
Sub-total: Penalties and Interest on Debtors	0	0	0	110,000	110,000	0	110,000	121,000	10.00%	10.00%	0.23%	133,000	146,000
Rent of Facilities and Equipment - Other	18,382,810	19,815,390	21,280,448	28,557,000	25,304,000	0	25,304,000	27,835,000	10.00%	10.00%	53.46%	30,618,000	33,680,000
Sub-total: Rent of Facilities and Equipment	18,382,810	19,815,390	21,280,448	28,557,000	25,304,000	0	25,304,000	27,835,000	10.00%	10.00%	53.46%	30,618,000	33,680,000
Interest Earned - Bank Balances / (Interest on overdraft)	994,310	771,069	701,754	215,000	847,000	0	847,000	242,000	-1	#DIV/0!		266,000	287,000
Sub-Total: Interest Earned	994,310	771,069	701,754	215,000	847,000	0	847,000	242,000	-1	-71.43%		266,000	287,000
Operating Grants & Subsidies - Other	0	0	12,071,955	3,500,000	3,500,000	0	3,500,000	3,500,000	0.00%		6.72%	3,500,000	3,710,000
Sub-Total: Operating Grants	0	0	12,071,955	3,500,000	3,500,000	0	3,500,000	3,500,000	0.00%		6.72%	3,500,000	3,710,000
Capital Grants - Other	0	0	0	210,000	330,000	0	330,000	1,120,000				90,000	105,000
Sub-Total: Capital Grants	0	0	0	210,000	330,000	0	330,000	1,120,000				90,000	105,000
Other Sundry Income	10,384,720	11,814,556	14,247,127	14,528,000	17,161,000	0	17,161,000	19,253,000	12.19%	12.19%	36.97%	20,876,000	22,845,000
Sub-Total: Other Income	10,384,720	11,814,556	14,247,127	14,528,000	17,161,000	0	17,161,000	19,253,000	12.19%	12.19%	36.97%	20,876,000	22,845,000
TOTAL OPERATING INCOME	29,761,840	32,401,015	48,286,460	47,120,000	47,252,000	0	47,252,000	52,071,000	10.20%	10.20%	100.00%	55,483,000	60,573,000
NET OPERATING INCOME	29,761,840	32,401,015	48,286,460	47,120,000	47,252,000	0	47,252,000	52,071,000	10.20%	10.20%	100.00%	55,483,000	60,573,000
Year on Year Increase	7.21%	8.87%	49.03%	58.32%	45.83%		0.00%	10.20%				6.55%	9.17%
EXPENDITURE													
Employee Related Costs - Salaries & Wages	4,483,955	5,576,280	6,560,635	9,039,000	8,899,000	0	8,899,000	9,522,000	7.00%	7.00%	19.53%	10,188,000	10,902,000
Remuneration of Directors	744,668	448,001	961,333	560,000	700,000	0	700,000	749,000	7.00%	7.00%	1.54%	801,000	858,000
Sub-Total: Remuneration	5,228,623	6,024,281	7,521,968	9,599,000	9,599,000	0	9,599,000	10,271,000	7.00%	7.00%	21.07%	10,989,000	11,760,000
Bad Debts (Provision for Bad Debts) - current trends	57,184	1,373,697	1,693,637	0	1,900,000	0	1,900,000	1,800,000	-5.26%	-5.26%	3.69%	1,700,000	1,600,000
Sub-Total: Bad Debt Provision	57,184	1,373,697	1,693,637	0	1,900,000	0	1,900,000	1,800,000	-5.26%	-5.26%	3.69%	1,700,000	1,600,000
Collection Costs	2,528	0	0	0	0	0	0	0			0.00%	0	0
Depreciation - Existing Assets	1,046,226	1,072,178	999,788	1,506,000	1,074,000	0	1,074,000	1,198,000	11.55%	11.55%	2.46%	1,198,000	1,198,000
Sub-Total: Depreciation	1,046,226	1,072,178	999,788	1,506,000	1,074,000	0	1,074,000	1,198,000	11.55%	11.55%	2.46%	1,198,000	1,198,000
Repairs and Maintenance - External Contractors	1,657,235	4,051,945	4,913,251	41,000	1,044,000	0	1,044,000	47,000	-95.50%	-95.50%	0.10%	50,000	53,000
Sub-Total: Repairs and Maintenance	1,657,235	4,051,945	4,913,251	41,000	1,044,000	0	1,044,000	47,000	-95.50%	-95.50%	0.10%	50,000	53,000
Interest Expense - Current External Borrowings	3,093,315	3,061,906	2,550,961	41,000	1,044,000	0	1,044,000	3,300,000	10.00%	10.00%	6.77%	3,631,000	3,995,000
Sub-Total: Interest Expense	3,093,315	3,061,906	2,550,961	41,000	1,044,000	0	1,044,000	3,300,000	10.00%	10.00%	6.77%	3,631,000	3,995,000
Bulk Purchases - Electricity	0	0	0	3,000,000	3,000,000	0	3,000,000	3,000,000				3,631,000	3,995,000
Sub-Total: Bulk Purchases	0	0	0	3,000,000	3,000,000	0	3,000,000	3,000,000	10.00%	10.00%	6.77%	3,631,000	3,995,000
General Expenses	22,343,550	21,594,703	24,502,213	32,161,000	30,862,000	0	30,862,000	32,141,000	4.14%	4.18%	65.92%	34,551,000	37,158,000
Loss on Sale of Assets	15,145	0	1	0	0	0	0	0				0	0
New Expenditure Commitment 4	237	52,262	7,153	0	0	0	0	0				0	0
Sub-Total: New Expenditure Commitments	237	52,262	7,153	0	0	0	0	0				0	0
TOTAL OPERATING EXPENDITURE	33,443,806	37,220,972	44,570,887	46,307,000	47,479,000	0	47,469,000	48,757,000	2.69%	2.71%	100.00%	52,119,000	55,764,000
NET OPERATING EXPENDITURE	33,443,806	37,220,972	44,570,887	46,307,000	47,479,000	0	47,469,000	48,757,000	2.69%	2.71%	100.00%	52,119,000	55,764,000
Year on Year Increase	16.07%	11.29%	19.75%	38.46%	27.56%		-0.02%	2.69%				6.90%	6.99%
OPERATING SURPLUS/(DEFICIT)													
Contribution to Capital Budget	-3,681,966	-4,819,957	3,716,573	813,000	-227,000	0	-217,000	3,314,000				3,364,000	4,809,000
Total Other Adjustments	-9,110	9,900	22,055	-84,000	-25,000	0	-25,000	-92,000				-101,000	-27,000
NET OPERATING SURPLUS/(DEFICIT)	-3,672,856	-4,829,857	3,693,518	729,000	-622,000	0	-612,000	3,406,000				3,173,000	4,707,000

2.10.15 Information Communication Technology (ICT)

The result statements of the department are contained in the IDP in Annexure A.

Flagship Project as pronounced by the Executive Mayor

Activity	Description
Digital City	
Brief Description	<p>Digital City is the innovative use of technology to create a smart city. The Digital City is divided into four streams of work which are: Broadband infrastructure; Setting up EM as an Internet service Provider; Enterprise Operation Centre / Unified Command Centre and Digital City Services and products</p> <p>Implementation of Phase 1 of the project which includes setting up of the Digital City unit to provide effective broadband infrastructure that supports the business services, commercialisation of the fibre and connectivity to Ekurhuleni community.</p>
Current progress on project	<p>The Digital City Programme is made up of the following streams:</p> <ul style="list-style-type: none"> • Broadband Infrastructure (both fibre and wireless); • Internet Service Provision (ISP); • Unified Command Centre; • Digital City Product and Services <p>What has been achieved?</p> <ul style="list-style-type: none"> • Digital City Programme Office Established with Programme Manager appointed; • Broadband Specialists appointed; • Digital City Transaction Advisory Tender published and closed for adjudication; • Broadband Strategy Completed • Digital City Products and Services Strategy completed; • Unified Command Centre (UCC) Business user requirements signed and approved by each core business unit
Plans for the new financial year	<ul style="list-style-type: none"> • Internal IT infrastructure is important for the success of DC. DC has prioritised Local Area Network Optimisation as key initiative (collaborative effort with ICT to resolve network performance before EMM can expose DCC Services to external world) • Development and Implementation of Network Management Centre (scalable / or shared infrastructure with DCC as it comes online) • Design, Optimisation of the current fibre infrastructure and Implementation of new Wide Area Network – As guided by the Future Network Architecture Design Project that DCC will embark on (in collaboration with ICT) • Business Models / Operating Model for Digital City – outcome of the transaction advisor project • Funding Models for Digital City - Outcomes of the transaction advisor project

Key Strategic Projects of the Information Communication Technology Department

Activity	Description
Business Process Management	
Brief Description	The project is about redesigning and automating the business processes with the aim to reduce silo operations and improve responses to the customers. BPM aims to improving the efficiency of the municipality business processes, doing things better with optimised processes and achieve better communication across the organisation; to integrate Municipality business processes with partners in the value chain, and understanding which partner is responsible for what part of the process. This will also apply to the municipality's interaction with other spheres of government, business, NGO, etc.
Current progress on project	7 Customer facing processes were automated.
Plans for the new financial year	In the new financial year the department will focus on business processes engineering for the three departments (i.e. Finance, HR and Legal) in preparation for the ERP project.
Information and Knowledge Management	
Brief Description	The intent of the project is to create an information environment that provides the following: business-driven; knowledge-based; integrated; always available and reliable.
Current progress on project	The Information and Knowledge Management framework was developed and is currently with R&D for input and comments. The specifications for the Electronic documents and records management system were advertised and evaluation to appoint a service provider will start soon.
Plans for the new financial year	The department will implement an Electronic Documents and Records management system that will be a central document repository for EMM.
Establishment of the EMM operation centre that incorporates the Network Operation Centre for ICT	
Brief Description	Enterprise Operation centre, stream of Digital City, with NOC as the component of it. NOC is the monitoring facility that provides proactive management of the ICT infrastructure and real time monitoring of all nodes in the network. NOC forms Phase 1 of the operation centre implementation.
Current progress on project	The Business Case for the Operations Centre was developed and approved. A benchmarking visit to the City of New York was

	undertaken.
Plans for the new financial year	The technology/ ICT specifications for the Operations Centre will be developed. The specifications for the building construction will be driven by the Real Estate department.
Enterprise Resource Planning	
Brief Description	An Enterprise Resource Planning system (ERP) is a system that replaces many standalone systems of individual departments and offices – such as humans resources management, payroll, finance, supply chain management, grant management and projects – and integrates the functions into a single and automated system that runs on a single database. ERP provides for policies and procedures to be built into the system and upload as necessary. This will greatly reduce our dependence on policy and procedure manuals for knowledge transfer and provide a much more efficient means to handle knowledge retention, especially as experienced staff retires. ERP systems also come with built-in audit and security controls that have been implemented.
Current progress on project	Application Rationalisation Strategy (ARS) was done. The ERP came up as a consideration in the ARS process when the need for integrated systems was identified. An Integrated system would reduce the number of applications and the costs associated with those applications.
Plans for the new financial year	Phase 2: ICT will seek the approval of the ERP Business Case, align ERP project with Business Process Management and the Master Systems Plan .
Permanent location of the consolidated call centre with supporting CRM system	
Brief Description	Implementation of the call centre at the permanent site. The call centre will consolidate non-life threatening and EMPD call centre with the intention of sharing of systems.
Current progress on project	As of a long term strategy, the call centre will be implemented as part of the Unified Command Centre. For the short term, the current call centre is being extended and additional call centre agents will be recruited. The EMIS system has been implemented at the call centre, Water depots and CCAs.
Plans for the new financial year	The CRM system will be rolled out to four more department i.e. Finance, Energy, Roads and Storm water and DEMS.

Table 69: Operating budget of the Information Communication Technology Department

INFORMATION AND COMMUNICATION TECHNOLOGY											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14					2014/15	2015/16
INCOME											
Other Sundry Income	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Other Income	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Internal Recoveries	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
EXPENDITURE											
Employee Related Costs - Salaries & Wages	87,729	87,729	43,324	74,220	92,700	98,818	5.67%	24.90%	29.47%	98,818	105,142
Employee Related Costs - Overtime	547	547	1,197	547	588	627	7.50%	7.50%	0.19%	627	667
Employee Related Costs - Social Contributions	15,951	15,951	8,720	15,322	19,916	21,231	24.86%	29.99%	6.33%	21,231	22,590
Employee Related Costs - Salaries Capitalised	(10,032)	(10,032)	-	(10,032)	(11,019)	(11,746)	9.83%	9.83%	-3.50%	(11,746)	(12,498)
Sub-Total: Remuneration	94,194	94,194	53,240	80,058	102,186	108,930	8.48%	27.64%	32.49%	108,930	115,902
Depreciation - Existing Assets	78,926	78,926	46,040	64,343	82,083	86,187	4.00%	27.57%	26.10%	86,187	90,497
Sub-Total: Depreciation	78,926	78,926	46,040	64,343	82,083	86,187	4.00%	27.57%	26.10%	86,187	90,497
Repairs and Maintenance - External Contractors	69,717	69,607	20,575	59,633	67,653	71,103	-2.81%	13.45%	21.51%	71,103	74,587
Repairs and Maintenance - Internal Maintenance Teams	69	71	6	71	40	43	-44.05%	-44.05%	0.01%	43	45
Sub-Total: Repairs and Maintenance	69,785	69,678	20,581	59,704	67,693	71,146	-2.85%	13.38%	21.52%	71,146	74,633
Contracted Services - Existing Contracts	25,000	24,600	-	15,438	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Contracted Services	25,000	24,600	-	15,438	-	-	-100.00%	0.00%	0.00%	-	-
General Expenses	62,882	63,392	26,293	9,990	62,577	65,775	-1.29%	526.41%	19.89%	65,775	69,005
TOTAL OPERATING EXPENDITURE	330,788	330,791	146,155	229,533	314,539	332,038	-4.91%	37.03%	100.00%	332,038	350,036
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	330,788	330,791	146,155	229,533	314,539	332,038	-4.91%	37.03%	100.00%	332,038	350,036
OPERATING SURPLUS/(DEFICIT)	(330,788)	(330,791)	(146,155)	(229,533)	(314,539)	(332,038)	-4.91%	37.03%		(332,038)	(350,036)
Total Transfers from Cash-Backed Reserves	53,059	53,059	30,951	53,059	55,712	58,498	5.00%	5.00%		58,498	61,423
NET OPERATING SURPLUS/ (DEFICIT)	(277,728)	(277,731)	(115,203)	(176,473)	(258,827)	(273,540)	-6.81%	46.67%		(273,540)	(288,613)

Capital budget of the Information Communication Technology Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	151,500,000		
Revenue	1,590,000	1,908,000	2,100,000
Other Loan Funding		139,600,000	47,000,000
Total	153,090,000	141,508,000	49,100,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Corporate	151,500,000	139,600,000	47,000,000
Operational Equipment	1,590,000	1,908,000	2,100,000
Total	153,090,000	141,508,000	49,100,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All Wards	50,000,000	49,000,000	47,000,000
Operational Equipment	103,090,000	92,508,000	2,100,000
Total	153,090,000	141,508,000	49,100,000

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R153m. Significant projects are:

- R50m for the Implementation of a Digital City Services
- R40m for the Installation of fibre optic cable throughout the Aerotropolis
- R5m for the purchasing of the Electronic Document Management System as well as the Business Process Management
- R19,5m for the migration to next generation network - Increased security of ICT infrastructure and systems
- R18m for the Enterprize Architecture/ Business process management including Document and Records Management

2.10.16 Legislature

This is a new cost centre was established in the previous financial year subsequent to the adoption of the Separation of Powers governance model and includes following budgets:

- Office of the Speaker
- Office of the Chief Whip
- Oversight committees
- Administration of Ward Committees
- Part-time Councillors

What is important to take note that cost centre 105010, which contain the budget for part-time councillors has also been allocated to the Legislature. This implies that all the councillor allowances are now budgeted as part of the Legislature - based on the principle that part-time councillors will mostly form part of the oversight committees. The mentioned cost centre also provides for the travelling and accommodation of part-time councillors to conferences and seminars and overseas business activities.

Operating budget of the Legislature Department

Expenditure for the legislature amounts to R171.0m which includes

• Salaries and Councillor Allowances	R148.8m
• General expenditure	R 21.4m
• Other minor expenditure	R 0,8m
TOTAL	R 171.0m

Capital budget of the Legislature Department

An amount of R7.3 million for the 2013/14, R3.8 million for the 2014/15 and R3.3 million for the 2015/16 financial years have been provided for operational equipment for the Legislature department.

Table 70: Operating budget of the Legislature Department

LEGISLATURE										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F03 R'000
ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	P to B	Of Total	2014/15	2015/16	
EXPENDITURE										
Employee Related Costs - Salaries & Wages	58,119	58,119	37,231	50,749	-12.68%	36.31%	29.07%	54,100	57,562	
Employee Related Costs - Overtime	1,014	1,014	1,014	1,090	7.50%	7.50%	0.62%	1,162	1,236	
Employee Related Costs - Social Contributions	13,820	13,820	13,510	8,819	-36.18%	-34.72%	5.05%	9,401	10,003	
Remuneration of Councillors	94,326	94,326	93,111	88,130	-6.57%	-5.35%	50.48%	93,947	99,959	
Sub-Total: Remuneration	167,279	167,279	144,866	148,788	-11.05%	2.71%	85.22%	158,610	168,761	
Repairs and Maintenance - External Contractors	20	170	85	20	-88.04%	-76.17%	0.01%	21	22	
Sub-Total: Repairs and Maintenance	20	170	85	20	-88.04%	-76.17%	0.01%	21	22	
Contracted Services - Existing Contracts	98	98	51	750	663.67%	1372.75%	0.43%	810	875	
Sub-Total: Contracted Services	98	98	51	750	663.67%	1372.75%	0.43%	810	875	
General Expenses	15,889	18,573	15,914	25,035	34.79%	57.31%	14.34%	22,530	23,634	
TOTAL OPERATING EXPENDITURE	183,286	186,121	160,917	174,593	-6.19%	8.50%	100.00%	181,971	193,291	
NET OPERATING EXPENDITURE	183,286	186,121	160,917	174,593	-6.19%	8.50%	100.00%	181,971	193,291	
OPERATING SURPLUS/(DEFICIT)	(183,286)	(186,121)	(160,917)	(174,593)	-6.19%	8.50%		(181,971)	(193,291)	
NET OPERATING SURPLUS/ (DEFICIT)	(183,286)	(186,121)	(160,917)	(174,593)	-6.19%	8.50%		(181,971)	(193,291)	

2.10.17 Real Estate

Flagship Projects as pronounced by the Executive Mayor

The Real Estate Department is involved, as a secondary partner, with the two flagship projects:.

NAME OF THE PROJECT	BRIEF DESCRIPTION
Establishment of a functional Real Estate management unit	<ul style="list-style-type: none"> • Setting up of Real Estate Department and strategy conceptualization • Completion of the strategy and organisational structure

Establishment of the new Real Estate Department

The organisation identified the need to establish a Real Estate Department mainly as a result of the fragmented management of the City's property portfolio which led to long transaction turnaround times and ultimately neglect of the Council's property portfolio.

Several workshops were held with all role players in the organisation which resulted in the decision to establish a centralised unit responsible for all of the City's real estate assets.

The following divisions in the Real Estate Department were approved:

- Strategy and planning
- Governance and compliance
- Support services
- Portfolio advisory services
- Property development
- Property management
- Facilities management
- Parks and cemeteries

The following actions are planned for the new year:

- Filling of vacancies of head of department and three divisional heads;
- Approval of the Real Estate Strategy;
- Amalgamation of functions currently diversified in various departments;
- Approval of the complete Real Estate organisational structure.

Progress with the revenue enhancement drive in EMM with respect to the role the new Real Estate Department should play

The potential exists to maximise the rental from the commercial lease portfolio by ensuring that all new leases and renewals are done at proven market related rentals and escalations. The current back-log needs to be addressed with the additional resource and man-power required which will be brought about with the institutional review process, the amalgamation of property transactions and improved systems, delegation and procedure.

Every effort must be made to facilitate shorter approval processes by the correct interpretation of the MFMA, asset transfer regulations and SCM regulations. The property portfolio needs to be segmented in order to identify specific sites with high rental value potential. The aim is to increase the real revenue with 5% annually.

Many of Council's existing real estate assets (buildings) are in a state of neglect. An amount of R15 million has been allocated to enhance revenue potential of some of these facilities. This is part of the prestige building programme where components of the building will be repaired to increase the revenue potential of the facility. Examples are Springs Market, Alberton Civic community facilities etc.

Real Estate Departmental key strategic projects as identified by the department

Office accommodation and office densification projects

R156 million collectively has been budgeted for office accommodation and densification purposes.

Council has several expense leases where council leases buildings for office accommodation purposes. Council wants to reduce the expense leases and rather occupy office space owned by council. The funds will be used to:

- procure properties that have been identified by Germiston Urban Regeneration Task Team in terms of the implementation plan of the urban renewal of the city
- density council owned office space
- refurbishment of office space

Upgrade of Electrical/Mechanical Installations in EMM Buildings

Electro mechanical installations such as lifts, central air conditioning systems, generators etc. in various EMM building are past their useful engineered economic life cycle. They have deteriorated to an unacceptable state resulting in failure and subject to costly maintenance and repairs expenditure. It is necessary to start the process of renewal and upgrading with the purpose of compliance with health and safety regulations and reduction of risk factors leading to failures.

Upgrade and renewal of buildings around EMM

Complete replacement of building components to extend the remaining useful lifespan of buildings.

Revenue generating projects (prestige buildings)

R15 million has been allocated to revenue enhancement. The Property Advisory Division will identify buildings with revenue potential. Work will be done on buildings where any improvement to the facility will enhance the revenue potential of the facility. Value for money studies will be done to prioritise the facilities with the aim to allocate funding to the most lucrative projects. Examples of such facilities are the Springs Market, Brakpan Airfield, Alberton Civic Centre community halls and other community facilities.

Segmentation of the EMM property portfolio

The Portfolio Advisory Division of RE will be tasked to divide the portfolio into segments for which specific strategies could be developed with the aim to improve the financial, social and strategic benefit derived from the said segment. Examples of this strategy are to have a specific strategy for cell masts, billboards, council shops etc.

The department started developing strategies to deal with council-owned shops, out of home advertising and cell masts.

The result statement of the department is contained in the IDP in Annexure A.

Table 71: Operating budget of the Real Estate Department

REAL ESTATE										
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	P to B	Of Total	2014/15	2015/16
INCOME										
Rent of Facilities and Equipment - Other	-	-	-	-	14,000	100.00%	100.00%	14.46%	15,120	16,330
Sub-total: Rent of Facilities and Equipment	-	-	-	-	14,000	100.00%	100.00%	14.46%	15,120	16,330
Licenses & Permits	22,288	22,288	13,880	25,278	30,153	35.29%	19.29%	31.14%	31,691	33,244
Municipal Infrastructure Grant for Cities	93,545	-	31,816	-	50,000	100.00%	100.00%	51.64%	-	-
Sub-Total: Capital Grants	93,545	-	31,816	-	50,000	100.00%	100.00%	51.64%	-	-
Other Sundry Income	1,016	1,016	1,164	1,973	2,678	163.66%	35.71%	2.77%	2,815	2,953
Sub-Total: Other Income	1,016	1,016	1,164	1,973	2,678	163.66%	35.71%	2.77%	2,815	2,953
TOTAL OPERATING INCOME	116,849	23,304	46,861	27,251	96,832	315.52%	255.33%	100.00%	49,626	52,526
Internal Recoveries	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	116,849	23,304	46,861	27,251	96,832	315.52%	255.33%	100.00%	49,626	52,526
EXPENDITURE										
Employee Related Costs - Salaries & Wages	84,736	84,736	46,149	77,953	102,583	21.06%	31.60%	53.73%	109,353	116,352
Employee Related Costs - Overtime	479	479	874	456	515	7.50%	12.95%	0.27%	549	584
Employee Related Costs - Social Contributions	20,624	20,624	11,390	19,762	21,615	4.81%	9.38%	11.32%	23,042	24,517
Employee Related Costs - Salaries Capitalised	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Employee Related Costs - Salaries to R and M Internal	(42,994)	(42,994)	(8,707)	(42,994)	(40,975)	-4.70%	-4.70%	-21.46%	(43,679)	(46,475)
Sub-Total: Remuneration	62,845	62,845	49,707	55,177	83,738	33.24%	51.76%	43.86%	89,264	94,977
Repairs and Maintenance - External Contractors	51,470	51,676	15,785	21,306	51,764	0.17%	142.96%	27.11%	54,404	57,070
Repairs and Maintenance - Internal Maintenance Teams	43,963	36,299	1,165	38,138	41,640	14.71%	9.18%	21.81%	44,388	47,229
Sub-Total: Repairs and Maintenance	95,433	87,975	16,951	59,444	93,404	6.17%	57.13%	48.92%	98,792	104,299
General Expenses	8,469	9,562	3,013	9,065	13,779	44.10%	52.00%	7.22%	14,128	14,890
TOTAL OPERATING EXPENDITURE	166,747	160,382	69,670	123,685	190,920	19.04%	54.36%	100.00%	202,184	214,166
Internal Transfers:										
Internal Charges	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	166,747	160,382	69,670	123,685	190,920	19.04%	54.36%	100.00%	202,184	214,166
OPERATING SURPLUS/(DEFICIT)	(49,898)	(137,078)	(22,810)	(96,434)	(94,089)	-31.36%	-2.43%		(152,558)	(161,639)
Contribution to Capital Budget	93,545	-	-	93,545	50,000	100.00%	-46.55%		-	-
NET OPERATING SURPLUS/(DEFICIT)	(143,443)	(137,078)	(22,810)	(189,979)	(144,089)	5.11%	-24.16%		(152,558)	(161,639)

Capital budget of the Real Estate Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	119,000,000	-	-
Other Loan Funding	-	127,000,000	80,000,000
Revenue	9,460,000	11,280,000	77,010,000
USDG	50,000,000	-	-
Total	178,460,000	138,280,000	157,010,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Corporate	71,000,000	80,000,000	98,000,000
Germiston	100,000,000	50,000,000	50,000,000
Operational Equipment	7,460,000	8,280,000	9,010,000
TOTAL	178,460,000	138,280,000	157,010,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All Wards	71,000,000	80,000,000	98,000,000
CBD	100,000,000	50,000,000	50,000,000
Operational Equipment	7,460,000	8,280,000	9,010,000
Total	178,460,000	138,280,000	157,010,000

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R178,4m. Significant projects are:

- R104m for the development of the precinct building in Germiston as well as the densification of Council buildings to comply with the space planning norms
- R50m for the Germiston Brownfields acquisitions
- R15m for the refurbishment of lettable facilities

2.10.18 Roads and Storm-water

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Roads and Storm-water Department:

NAME OF THE PROJECT	BRIEF DESCRIPTION
Fak'imali Uzobona	Construction of storm-water systems and upgrading gravel roads to paved road standards in township areas
Hlasele' ama Potholes	Patching of potholes and repairs to failed sections of paved roads(rehabilitation and resurfacing)
Vuk' Uphile	Roads EPWP job creation programme addressing paving and other labour intensive projects.

Fak'imali Uzobona

This project addresses the construction of new roads and storm water drainage services predominantly in the areas where the backlog is the greatest. These areas are Duduza, Tsakane, Kwa Thema, Daveyton/Etswatwa, Wattville, Vosloorus, Katlehong, Tokoza and Tembisa.

Areas where township development (housing as well as Industrial and Commercial) is taking place, is also catered for under this programme, which is a multi-year project (spanning over more than one financial year). Consultants and contractors are in place (also appointed on a multi-year basis). The appointment of consultants and contractors, over multi-financial years, will facilitate a "seamless" continuation/implementation of new budgets without the time consuming process of advertising and appointment every financial year. The estimated implementation amount is R300m per annum (additional funds have been requested for future financial years).

Hlasele' ama Potholes

This project addresses the rehabilitation, patching and repair of tar roads through the appointment of SMMEs (small contractors), which have been appointed in all areas of EMM. The methods of repairs are based on labour intensive methods thus contributing to job creation. These SMMEs will also be employed/appointed on a multiyear basis.

Vuk' Uphile

The programme is aimed at addressing the training of learners (Learnership programme) to the point where they can be employed as contractors specifically for projects of a smaller magnitude, such as paving of sidewalks, kerbing installation and other labour intensive projects.

Learners have completed their "classroom training" and are now deployed to various construction projects. This programme is also aimed at assisting other departments with the implementation of construction projects within that Department. This project is a major contributor to the EMMs Job Creation Programme.

Table 72: Operating budget of the Roads and Storm-water Department

ROADS AND STORMWATER										
FINANCIAL PERIOD	F00 R'000 ORG BUDGET	F00 R'000 ADJ BUDGET	F00 R'000 YEAR TO DATE	F00 R'000 PROJECTED	F01 R'000 2013/14	% B to B	% P to B	% Of Total	F02 R'000 2014/15	F03 R'000 2015/16
INCOME										
Minor Income	906	906	508	806	806	-11.04%	0.00%	0.14%	847	889
Total: User Charges for Services	906	906	508	806	806	-11.04%	0.00%	0.14%	847	889
Rent of Facilities and Equipment - Other	150	150	44	53	75	-50.00%	42.41%	0.01%	79	83
Sub-total: Rent of Facilities and Equipment	150	150	44	53	75	-50.00%	42.41%	0.01%	79	83
Operating Grants & Subsidies - Other	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Operating Grants	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Capital Grants - Other	18,750	17,750	-	17,750	27,945	57.44%	57.44%	4.81%	35,000	30,000
Neighborhood Development Partnership Grant	14,382	6,582	-	6,582	-	-100.00%	0.00%	0.00%	-	-
Municipal Infrastructure Grant for Cities	502,650	403,050	188,984	403,050	543,700	34.90%	34.90%	93.55%	474,250	493,700
Public Transport Infrastructure Grant	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Community Care Centres	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Capital Grants	535,782	427,382	188,984	427,382	571,645	33.76%	33.76%	98.36%	509,250	523,700
Essential Services	6,000	6,000	10,231	9,103	8,500	41.67%	-6.62%	1.46%	8,934	9,371
Other Sundry Income	158	158	30	37	133	-15.71%	262.16%	0.02%	140	147
Sub-Total: Other Income	6,158	6,158	10,261	9,139	8,633	40.20%	-5.54%	1.49%	9,073	9,518
TOTAL OPERATING INCOME	542,996	434,596	197,796	437,380	581,159	33.72%	32.87%	100.00%	519,249	534,189
Internal Recoveries	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	542,996	434,596	197,796	437,380	581,159	33.72%	32.87%	100.00%	519,249	534,189
EXPENDITURE										
Employee Related Costs - Salaries & Wages	173,031	173,031	80,725	140,124	184,592	6.88%	31.73%	11.88%	196,775	209,388
Employee Related Costs - Overtime	4,327	4,327	3,875	4,210	4,651	7.50%	10.48%	0.30%	4,958	5,276
Employee Related Costs - Social Contributions	38,762	38,762	19,232	35,221	39,569	2.08%	12.35%	2.55%	42,181	44,880
Employee Related Costs - Salaries Capitalised	(20,907)	(20,907)	-	(20,907)	(22,963)	9.83%	9.83%	-1.48%	(24,479)	(26,045)
Employee Related Costs - Salaries to R and M Internal	(143,320)	(143,320)	(76,320)	(143,320)	(152,417)	6.35%	6.35%	-9.81%	(162,477)	(172,876)
Sub-Total: Remuneration	51,891	51,891	27,512	15,327	53,432	2.97%	248.61%	3.44%	56,958	60,603
Depreciation - Existing Assets	967,640	967,640	564,456	888,279	1,006,345	4.00%	13.29%	64.75%	1,056,663	1,109,496
Sub-Total: Depreciation	967,640	967,640	564,456	888,279	1,006,345	4.00%	13.29%	64.75%	1,056,663	1,109,496
Repairs and Maintenance - External Contractors	281,068	281,825	52,442	275,719	303,821	7.81%	10.19%	19.55%	319,316	334,963
Repairs and Maintenance - Internal Maintenance Teams	148,456	148,585	77,815	148,553	156,374	5.24%	5.26%	10.06%	166,695	177,363
Sub-Total: Repairs and Maintenance	429,523	430,410	130,257	424,272	460,195	6.92%	8.47%	29.61%	486,011	512,326
Contracted Services - Existing Contracts	6,242	5,242	1,333	3,613	4,970	-5.19%	37.56%	0.32%	5,368	5,797
Sub-Total: Contracted Services	6,242	5,242	1,333	3,613	4,970	-5.19%	37.56%	0.32%	5,368	5,797
General Expenses	26,384	26,512	10,948	20,518	29,255	10.35%	42.58%	1.88%	31,167	33,089
TOTAL OPERATING EXPENDITURE	1,481,680	1,481,684	734,506	1,352,009	1,554,197	4.89%	14.95%	100.00%	1,636,166	1,721,310
Internal Transfers:	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Internal Charges	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	1,481,680	1,481,684	734,506	1,352,009	1,554,197	4.89%	14.95%	100.00%	1,636,166	1,721,310
OPERATING SURPLUS/(DEFICIT)	(938,684)	(1,047,088)	(536,709)	(914,629)	(973,039)	-7.07%	6.39%		(1,116,917)	(1,187,121)
Contribution to Capital Budget	535,782	427,382	-	535,782	571,645	33.76%	6.89%		509,250	523,700
Total Transfers from Cash-Backed Reserves	390,563	390,563	227,829	390,563	410,091	5.00%	5.00%		430,596	452,126
NET OPERATING SURPLUS/(DEFICIT)	(1,083,903)	(1,083,917)	(308,881)	(1,059,848)	(1,134,592)	4.88%	7.05%		(1,195,571)	(1,258,696)

Capital budget of the Roads and Storm-water Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Developer's contributions	27,944,846	35,000,000	30,000,000
Municipal Bonds	62,750,000	-	-
Revenue	13,700,000	14,200,000	34,400,000
Other Loan Funding	-	101,300,000	126,800,000
USDG	543,700,000	474,250,000	493,700,000
Total	648,094,846	624,750,000	684,900,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Alberton	4,500,000	6,000,000	8,000,000
Benoni	27,500,000	34,000,000	32,000,000
Boksburg	9,000,000	6,200,000	13,000,000
Brakpan	4,000,000	3,000,000	3,000,000
Corporate	298,950,170	268,350,000	290,350,000
Daveyton	7,000,000	8,000,000	10,000,000
Edenvale	17,500,000	24,500,000	18,000,000
Etwatwa	3,000,000	3,000,000	5,000,000
Germiston	5,894,676	2,500,000	6,000,000
Katlehong	105,600,000	64,250,000	63,550,000
Katlehong 2	2,500,000	2,500,000	4,000,000
Kempton Park	109,500,000	129,400,000	128,600,000
KwaThema	3,000,000	3,000,000	-
Operational Equipment	13,700,000	14,200,000	34,400,000
Springs	3,000,000	4,000,000	-
Tembisa	2,100,000	18,600,000	25,000,000
Tembisa 2	500,000	4,000,000	8,000,000
Thokoza	23,300,000	21,600,000	19,600,000
Vosloorus	7,550,000	7,650,000	16,400,000
Total	648,094,846	624,750,000	684,900,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	17,600,000	15,000,000	24,600,000
CBD	21,344,676	26,500,000	26,000,000
CBD / Developed, Residential	17,100,000	14,600,000	12,100,000
Developed, Residential	274,050,000	280,100,000	285,000,000
Operational Equipment	13,700,000	14,200,000	34,400,000
Underdeveloped	304,300,000	274,350,000	302,800,000
Total	643,650,000	624,750,000	684,900,000

Expected outcomes from the implementation of the Capital budget

The mission of the department is the development and management of affordable, appropriate and high quality roads and storm water infrastructure, to continuously improve the quality of life in a sustainable, safe, economical, equitable, integrated, environmentally sensitive and participatory manner. The Roads and Storm water Department has undertaken to eliminate the backlog of gravel roads by 2015 through the turnkey programme termed Fak'imali Uzobona which was initiated in 2004 and to date over a R1 billion has been spent with the construction of roads and storm water. Roads and storm water were identified as the Metro's number one key mandate through the community participation process. The total budget for the department has grown from R327m in 2011/12 to R643,6m in 2013/14.

Some of the main projects are:

- R79m for the roads infrastructure in the low cost housing areas
- R196m for the rehabilitation of roads in all of the six regions
- R59,5m for the construction of tertiary roads in all of the six regions
- R57m for the roads and storm-water on an as and when required basis
- R21,1m for the Thokoza and Katlehong Implementation of storm-water master plans
- R10m for the Swartspruit rehabilitation in Kempton Park
- R13,1m for the pedestrian management
- R14,1m for the traffic calming measures which include traffic signals, speed humps

Further key deliverables expected of the abovementioned projects include job creation, accredited training, development of local sub-contractors and an injection of community retained earnings to boost the local township economies.

2.10.19 Sport, Recreation, Arts and Culture (SRAC)

The SRAC department consists of the following functions:

- Sport
- Heritage
- Recreation
- Arts and Culture
- Libraries

The result statements of the department is contained in the IDP in Annexure A

Key projects of the Sport, Recreation, Arts and Culture Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Masakane Games	This programme has a two-pronged approach; one being school sport and the other a community-wide sport development programme. The school sport programme targets all schools in Ekurhuleni on two priority sporting codes - soccer and netball. The community-wide sporting programme has four sporting codes - soccer, netball, athletics and volleyball. These two programmes are aimed at identifying new talent that can represent the municipality in competitive sport codes.
Kiddies Olympics	An annual multi-coded sport festival for ages between the ages of five to eight. The children are exposed to recreational programmes including indigenous games. This is an introduction to sport and recreation targeted at 5- and 6-year-olds that involves day care centres and crèches throughout Ekurhuleni where children are exposed to different forms of recreation and sport with the hope that for future development they will be nurtured in their chosen sporting code/s.
September Cultural Month	September month will be a culmination of a year-long cultural competition of various art forms to be celebrated over three days in the metro. This programme would start at ward /area competitions to the six Ekurhuleni regions into a metro-wide cultural celebration at the end of September annually. Part of the programme would encourage the use of our community halls and public spaces to display art, crafts, drama, and the like.
Kempton Park Cultural Precinct	As a first step towards realizing an integrated spatial framework and land use for the Aerotropolis, we propose the development of Kempton Park as the cultural capital due to the fact that it serves as a compulsory conduit in and out of South Africa. Furthermore, it would allow the EMM to leverage the capital infrastructure and rich political heritage and history of the location. Amongst others, Kempton Park served as the seat for negotiations for the new political

NAME OF THE PROJECT	BRIEF DESCRIPTION
	dispensation i.e. the CODESA deliberations that became the foundation for the new democracy. This provides for the possibility of the development of political tourism and exporting the South African story.
Elites arts and sports events	To bid and host annually two major sporting and cultural event in the municipality.
Holiday Programmes Greater participation of children in library programs and services at all libraries	The programmes offer information and recreation activities to children and the youth at libraries during school holidays. The activities include, amongst others, career guidance, drafting of a CV, puppet shows, creating emails, video shows, storytelling, colouring, painting, and making Christmas cards, computer games and book bash literature festivals.

Operating budget of the Sport, Recreation, Arts and Culture Department

The department has been tasked to do the following:

- Improve the condition of the facilities by working with the Real Estate section in prioritising maintenance works
- Analyse trends and transactions to identify the reasons for the decline in revenue.

The operating budget per category is attached hereto.

Table 73: Operating budget of the Sport, Recreation, Arts and Culture Department

SPORT, RECREATION, ARTS AND CULTURE												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16				2014/15	2015/16
INCOME												
Minor Income	129	129	79	158	150	158	150	16.51%	-5.00%	0.10%	158	165
Total: User Charges for Services	129	129	79	158	150	158	150	16.51%	-5.00%	0.10%	158	165
Rent of Facilities and Equipment - Other	6,395	6,395	2,611	4,452	5,767	4,452	5,767	-9.83%	29.52%	3.86%	6,061	6,358
Sub-total: Rent of Facilities and Equipment	6,395	6,395	2,611	4,452	5,767	4,452	5,767	-9.83%	29.52%	3.86%	6,061	6,358
Other Fines	1,163	1,163	209	443	1,114	443	1,114	-4.16%	151.46%	0.75%	1,171	1,228
Sub-Total: Fines	1,163	1,163	209	443	1,114	443	1,114	-4.16%	151.46%	0.75%	1,171	1,228
Licenses & Permits	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Operating Grants & Subsidies - Other	2,775	3,186	843	3,186	3,700	3,186	3,700	16.12%	16.12%	2.48%	2,500	2,500
Sub-Total: Operating Grants	2,775	3,186	843	3,186	3,700	3,186	3,700	16.12%	16.12%	2.48%	2,500	2,500
Capital Grants - Other	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Municipal Infrastructure Grant for Cities	68,750	34,850	1,815	34,850	137,400	34,850	137,400	294.26%	294.26%	92.00%	47,500	48,000
Community Care Centres	20,000	26,796	1,882	26,796	-	26,796	-	-100.00%	0.00%	0.00%	8,911	8,911
Sub-Total: Capital Grants	88,750	61,646	3,697	61,646	137,400	61,646	137,400	122.89%	122.89%	92.00%	56,411	56,911
Other Sundry Income	1,117	1,117	479	719	1,219	719	1,219	9.19%	69.56%	0.82%	1,282	1,344
Sub-Total: Other Income	1,117	1,117	479	719	1,219	719	1,219	9.19%	69.56%	0.82%	1,282	1,344
TOTAL OPERATING INCOME	100,328	73,636	7,919	70,605	149,350	70,605	149,350	102.82%	111.53%	100.00%	67,582	68,507
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	100,328	73,636	7,919	70,605	149,350	70,605	149,350	102.82%	111.53%	100.00%	67,582	68,507

SPORT, RECREATION, ARTS AND CULTURE												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16					
EXPENDITURE												
Employee Related Costs - Salaries & Wages	254,370	255,924	139,597	234,617	277,116	295,406	314,312	8.28%	18.11%	45.49%	295,406	314,312
Employee Related Costs - Overtime	16,073	16,073	13,337	16,065	17,278	18,419	19,598	7.50%	7.55%	2.84%	18,419	19,598
Employee Related Costs - Social Contributions	68,623	68,623	37,726	66,122	73,165	77,993	82,985	6.62%	10.65%	12.01%	77,993	82,985
Employee Related Costs - Salaries Capitalised	(4,111)	(4,111)	-	(4,111)	(4,515)	(4,813)	(5,121)	9.83%	9.83%	-0.74%	(4,813)	(5,121)
Sub-Total: Remuneration	334,955	336,509	190,660	312,693	363,044	387,004	411,773	7.89%	16.10%	59.60%	387,004	411,773
Depreciation - Existing Assets	126,231	126,231	73,635	98,681	131,281	137,845	144,737	4.00%	33.04%	21.55%	137,845	144,737
Sub-Total: Depreciation	126,231	126,231	73,635	98,681	131,281	137,845	144,737	4.00%	33.04%	21.55%	137,845	144,737
Repairs and Maintenance - External Contractors	17,018	17,497	10,555	15,587	27,565	28,971	30,390	57.54%	76.84%	4.53%	28,971	30,390
Repairs and Maintenance - Internal Maintenance Teams	1,993	2,753	1,105	2,615	1,661	1,771	1,884	-39.67%	-36.48%	0.27%	1,771	1,884
Sub-Total: Repairs and Maintenance	19,011	20,250	11,660	18,202	29,226	30,742	32,274	44.33%	60.56%	4.80%	30,742	32,274
Contracted Services - Existing Contracts	509	689	70	451	4,854	5,243	5,662	605.07%	977.06%	0.80%	5,243	5,662
Sub-Total: Contracted Services	509	689	70	451	4,854	5,243	5,662	605.07%	977.06%	0.80%	5,243	5,662
Grants & Subsidies Paid - Social/Educational/Sports	150	150	41	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Sub-Total: Grants and Subsidies	150	150	41	-	-	-	-	-100.00%	0.00%	0.00%	-	-
General Expenses	69,775	70,055	46,848	86,029	77,029	83,459	88,446	9.96%	-10.46%	12.65%	83,459	88,446
Grants Expenditure	2,775	3,186	843	3,186	3,700	2,500	2,500	16.12%	16.12%	0.61%	2,500	2,500
TOTAL OPERATING EXPENDITURE	563,406	567,070	323,757	519,242	609,134	646,793	685,392	9.35%	17.31%	100.00%	646,793	685,392
Internal Transfers:												
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	563,406	567,070	323,757	519,242	609,134	646,793	685,392	9.35%	17.31%	100.00%	646,793	685,392
OPERATING SURPLUS/(DEFICIT)	(453,078)	(483,434)	(315,838)	(448,637)	(459,783)	(579,211)	(616,885)	-4.89%	2.48%		(579,211)	(616,885)
Contribution to Capital Budget	88,750	61,646	-	95,546	137,400	56,411	56,911	122.89%	43.80%		56,411	56,911
Total Transfers from Cash-Backed Reserves	21,662	21,662	12,636	21,662	22,745	23,882	25,076	5.00%	5.00%		23,882	25,076
NET OPERATING SURPLUS/ (DEFICIT)	(520,166)	(523,419)	(303,202)	(522,522)	(574,439)	(611,740)	(648,720)	9.75%	9.94%		(611,740)	(648,720)

Capital budget of the Sport, Recreation, Arts and Culture Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	7,800,000	-	-
Other Provincial Grants	-	8,911,000	8,911,000
Revenue	22,350,000	22,900,000	27,000,000
Other Loan Funding		12,089,000	-
USDG	137,400,000	47,500,000	48,000,000
Total	167,550,000	91,400,000	83,911,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Benoni	17,800,000	-	-
Boksburg	5,000,000	-	-
Brakpan	16,000,000	4,000,000	-
Corporate	24,000,000	28,500,000	40,000,000
Duduza	16,500,000	-	-
Germiston	24,500,000	20,000,000	3,000,000
Katlehong	400,000	-	3,000,000
KwaThema	10,000,000	-	-
Nigel	6,000,000	-	-
Kempton Park	-	-	3,000,000
Operational Equipment	16,350,000	22,900,000	23,000,000
Tembisa	1,000,000	5,000,000	3,000,000
Tsakane	30,000,000	11,000,000	-
Total	167,550,000	91,400,000	83,911,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	9,000,000	11,000,000	30,000,000
CBD / Developed, Residential	39,000,000	24,000,000	6,000,000
Developed, Residential	6,500,000	-	3,000,000
Operational Equipment	16,350,000	22,900,000	23,000,000
Underdeveloped	96,700,000	33,500,000	21,911,000
Total	167,550,000	91,400,000	83,911,000

The department is creating a number of libraries and cultural facilities, but the renewal of current assets is limited to less than 10%.

The financial sustainability of these non-income generating facilities is questioned as the assessment rate increases are not keeping up with the increased cost of the facilities.

Expected outcomes from the implementation of the Capital budget

The department is tasked with the following functions:

- Provision of sport, recreation, arts and cultural facilities
- Preservation and promotion of Ekurhuleni's heritage and identity
- Transformation and development of library media resources

Utilisation of sport, recreation, arts and culture programmes to enhance social cohesion. To address the above, the total budget for the department is R167,5m.

Some of the major projects include:

- R18m for the development of the Germiston Theatre
- R3,8m for the OR Tambo Narrative Centre funded by Gauteng Department of SRAC
- R6.6m for the construction of the Chris Hani Memorial and the Chris Hani Museum
- R16m each for the construction of the Tsakane and Brakpan libraries
- R43m for the upgrading of stadiums (Boksburg, Wattville, KwaThema and Duduza)
- R15,4m has also been provided for the rehabilitation of swimming pools including the Katlehong, Eden Park and Duduza swimming pools
- R10m has also been provided for vehicles.
- R14m for the construction of a Softball field and golf driving range in Tsakane

2.10.20 Transport Planning and Provision

The result statements of the department is contained in the IDP in Annexure A

Flagship Projects as pronounced by the Executive Mayor

Integrated Rapid Public Transport Network (IRPTN)

The Department of Transport Planning and Provision is responsible for the Integrated Rapid Transit Network (IRPTN). This project emanated from the Public Transport Action Strategy and Action Plan which was adopted by the National Cabinet in 2007. The strategy is aimed at accelerated modal upgrading and Integrated Public Transport Networks.

Ekurhuleni is one of the 12 metros in the country identified to implement an IRPTN. The total budget for the project in 2013/14 is R301 742 185. Of this amount, National Treasury has granted the department a grant of R243 543 000 and the difference of R58 199 185 is funded from Municipal Bond. In the coming year the focus will be on the following:

- Completion of the preliminary and detail design;
- Universal access plan;
- Public transport negotiations;

- Finalising the BRT structure and
- Initiating the bus procurement processes amongst other.

Key Strategic projects of the Transport Department

PROJECT NAME	PROJECT DESCRIPTION
Development of the Ekurhuleni Comprehensive Integrated Transport Plan (CITP).	This is a statutory requirement in terms of the National Land Transport Act No5 of 2009 to guide the municipalities on urban and transport planning.
Planning and implementation of Integrated Rapid Public Transport Network.	The project entails the introduction of a Bus Rapid Transit System in Ekurhuleni from Tembisa to Vosloorus. The system will run on a dedicated lane and will have an integrated ticketing system.
Germiston Intermodal Facility.	This is a joint venture project between PRASA, Ekurhuleni and the Gauteng Department of Roads and Transport. Construction of a new overhead concourse station building, commercial- and intermodal facilities.
Katlehong Licensing Hub	This is the first fully fledged licensing hub that will be constructed in a township. Amongst some of the most important services that will be offered are: motor vehicle registration, driver licensing and testing and also vehicle testing.
Municipal Buses Future Option Study.	This study is aimed at determining the possible options of integrating the municipal bus services into one company and how best can these services be integrated.

Operating budget of the Transport Department

The Transport Department is responsible for the transport planning, public transport and licensing function. The department is in the process of compiling a Comprehensive Integrated Public Transport Plan (CITP) that will guide the development transportation and spatial planning in the Metro.

The operating budget per category is attached hereto.

Table 74: Operating budget of the Transport Department

TRANSPORT, PLANNING, AND PROVISION											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2013/14	2013/14	2014/15	2015/16		
INCOME											
Minor Income	14,892	14,892	7,583	13,339	15,756	15,756	5.81%	18.12%	2.75%	16,560	17,371
Total: User Charges for Services	14,892	14,892	7,583	13,339	15,756	15,756	5.81%	18.12%	2.75%	16,560	17,371
Rent of Facilities and Equipment - Other	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-total: Rent of Facilities and Equipment	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Other Fines	1,000	1,000	350	659	1,000	1,000	0.00%	51.84%	0.17%	1,051	1,102
Sub-Total: Fines	1,000	1,000	350	659	1,000	1,000	0.00%	51.84%	0.17%	1,051	1,102
Licenses & Permits	68	68	1,081	68	-	-	-100.00%	0.00%	0.00%	-	-
Income from Agency Services	240,664	240,664	130,258	236,078	246,055	246,055	2.24%	4.23%	42.89%	258,603	271,275
Finance Management Grant	-	2,500	-	2,500	4,000	4,000	60.00%	60.00%	0.70%	-	-
Sub-Total: Operating Grants	-	2,500	-	2,500	4,000	4,000	60.00%	60.00%	0.70%	-	-
Municipal Infrastructure Grant for Cities	24,500	20,000	194	20,000	53,700	53,700	168.50%	9.36%	9.36%	308,901	280,848
Public Transport Infrastructure Grant	50,000	53,092	9,635	53,092	239,543	239,543	351.18%	41.76%	41.76%	-	-
Sub-Total: Capital Grants	74,500	73,092	9,829	73,092	293,243	293,243	301.20%	301.20%	51.12%	308,901	280,848
Other Sundry Income	13,233	13,233	3,505	3,694	13,617	13,617	2.90%	268.60%	2.37%	14,311	15,012
Sub-Total: Other Income	13,233	13,233	3,505	3,694	13,617	13,617	2.90%	268.60%	2.37%	14,311	15,012
TOTAL OPERATING INCOME	344,356	345,449	152,606	329,429	573,671	573,671	66.07%	74.14%	100.00%	599,427	585,609
NET OPERATING INCOME	344,356	345,449	152,606	329,429	573,671	573,671	66.07%	74.14%	100.00%	599,427	585,609
EXPENDITURE											
Employee Related Costs - Salaries & Wages	144,965	144,965	80,341	132,217	161,529	161,529	11.43%	22.17%	54.75%	172,190	183,210
Employee Related Costs - Overtime	15,487	15,487	7,773	12,033	16,649	16,649	7.50%	38.36%	5.64%	17,748	18,883
Employee Related Costs - Social Contributions	41,874	41,874	23,383	41,874	44,221	44,221	5.60%	5.00%	14.99%	47,139	50,156
Sub-Total: Remuneration	202,327	202,327	111,498	186,124	222,399	222,399	9.92%	19.49%	75.39%	237,077	252,250
Repairs and Maintenance - External Contractors	13,668	13,713	8,910	12,458	15,038	15,038	9.66%	20.71%	5.10%	15,805	16,579
Repairs and Maintenance - Internal Maintenance Teams	5,011	5,116	1,676	5,092	4,327	4,327	-15.42%	-15.02%	1.47%	4,613	4,908
Sub-Total: Repairs and Maintenance	18,679	18,829	10,586	17,549	19,365	19,365	2.85%	10.34%	6.56%	20,417	21,487
Contracted Services - Existing Contracts	3,189	3,189	1,151	2,696	7,136	7,136	123.75%	164.65%	2.42%	7,707	8,323
Sub-Total: Contracted Services	3,189	3,189	1,151	2,696	7,136	7,136	123.75%	164.65%	2.42%	7,707	8,323
Grants & Subsidies Paid - Entities	-	-	-	-	1,500	1,500	100.00%	100.00%	0.51%	1,613	1,733
Sub-Total: Grants and Subsidies	-	-	-	-	1,500	1,500	100.00%	100.00%	0.51%	1,613	1,733
General Expenses	26,288	27,331	14,316	25,585	40,612	40,612	48.59%	58.73%	13.77%	43,012	45,827
Grants Expenditure	-	-	-	-	4,000	4,000	100.00%	100.00%	1.36%	-	-
TOTAL OPERATING EXPENDITURE	250,463	251,676	137,550	231,955	295,012	295,012	17.22%	27.18%	100.00%	309,826	329,620
Internal Transfers:											
Internal Charges	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	250,463	251,676	137,550	231,955	295,012	295,012	17.22%	27.18%	100.00%	309,826	329,620
OPERATING SURPLUS/(DEFICIT)	93,893	93,773	15,056	97,474	278,659	278,659	197.16%	185.88%		289,601	255,988
Contribution to Capital Budget	74,500	75,592	-	80,092	293,243	293,243	287.93%	266.13%		308,901	280,848
NET OPERATING SURPLUS/(DEFICIT)	19,393	18,180	15,056	17,382	(14,584)	(14,584)	-180.22%	-183.90%		(19,300)	(24,859)

Capital budget of the Transport Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	72,839,185	-	-
Other National Grants	239,543,000	-	-
Revenue	7,552,000	7,252,000	4,600,000
Other Loan Funding	-	55,840,000	31,600,000
USDG	53,700,000	308,901,244	280,847,621
Total	373,634,185	371,993,244	317,047,621

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Boksburg	14,500,000	-	-
Corporate	299,182,185	222,841,244	274,047,621
Daveyton	-	5,000,000	5,000,000
Duduza	5,000,000	10,000,000	
Germiston	5,000,000	25,000,000	
Kempton Park		10,000,000	10,000,000
Katlehong	11,700,000	21,800,000	
Operational Equipment	20,752,000	36,652,000	6,200,000
Tembisa	2,500,000	10,700,000	21,800,000
Thokoza	10,000,000	20,000,000	
Vosloorus	5,000,000	10,000,000	
Total	373,634,185	371,993,244	317,047,621

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	299,182,185	227,841,244	279,047,621
CBD	5,000,000	25,000,000	-
Operational Equipment	20,752,000	36,652,000	6,200,000
Underdeveloped	48,700,000	72,500,000	21,800,000
Total	373,634,185	371,993,244	317,047,621

Expected outcomes from the implementation of the Capital budget

The total budget for the department is R373.6m. Significant projects are:

- R301.7m for the IRPTN of which R243.5m which is funded by the Public Transport Infrastructure and Systems Grant from the National Department of Transport
- R39,5m for the upgrading of six taxi ranks (Germiston Station, Bluegumview, Palm Ridge, New Vosloorus, Phuthaditjaba and Ramaphosa)
- R14,2m for the establishment of the MVRA/DLTC in Katlehong and Tembisa
- R12m for the procurement of busses

Budget of the Brakpan Bus Company

The Brakpan Bus Company renders a bus service to the community of Brakpan and Tsakane. The company makes use of Council facilities and leases a significant portion of their buses from the EMM on a nominal lease basis.

The company is mainly funded from a provincial subsidy, but due to the non-finalisation of the contract between the BBC and the GPG, the sustainability of the subsidy is in question. The subsidy is currently lower than what it should be and is the subject of a negotiation process with Gauteng Province.

The budget of the entity is reflected below:

Table 75: Budget of the Brakpan Bus Company

BRAKPAN BUS COMPANY													
FINANCIAL PERIOD	F-03 2009/10	F-02 2010/11	F-01 2011/12	F00 ORG BUDGET	F00 ADJ BUDGET	F00 BUDGET YEAR TO DATE	F00 PROJECTED	F01 2013/14	% B to B	% P to B	% Of Total	F02 2014/15	F03 2015/16
Minor Income (Bus Services Rendered)	5,858,194	7,397,104	8,307,720	13,109,651	11,192,819	4,643,630	11,192,819	13,041,556	16.52%	16.52%	45.50%	14,341,698	15,771,656
Total: User Charges for Services	5,858,194	7,397,104	8,307,720	13,109,651	11,192,819	4,643,630	11,192,819	13,041,556	16.52%	16.52%	45.50%	14,341,698	15,771,656
Rent of Facilities and Equipment - Other (Bus Hire)				4,096,855	2,701,120	1,134,354	2,701,120	3,143,121	16.36%	16.36%	10.97%	3,457,433	3,803,177
Sub-total: Rent of Facilities and Equipment	0	0	0	4,096,855	2,701,120	1,134,354	2,701,120	3,143,121	16.36%	16.36%	10.97%	3,457,433	3,803,177
Interest Earned - Bank Balances / (Interest on overdraft)	452,731	423,463	368,053	60,000	143,019	68,736	143,019	150,170	5.00%	5.00%	0.52%	150,170	157,679
Sub-Total: Interest Earned	452,731	423,463	368,053	60,000	143,019	68,736	143,019	150,170	5.00%	5.00%	0.52%	150,170	157,679
Operating Grants & Subsidies - (Bus Subsidy)	11,011,684	11,728,781	13,959,711	16,452,481	11,813,306	4,975,846	11,813,306	12,328,971	43.01%	43.01%	43.01%	11,370,420	11,938,941
Sub-Total: Operating Grants	11,011,684	11,728,781	13,959,711	16,452,481	11,813,306	4,975,846	11,813,306	12,328,971	43.01%	43.01%	43.01%	11,370,420	11,938,941
Other Sundry Income				16,767	16,767	43,389	16,767		0.00%	0.00%	0.00%		
Sub-Total: Other Income	0	0	0	16,767	16,767	43,389	16,767	0	0.00%	0.00%	0.00%	0	0
TOTAL OPERATING INCOME	17,322,609	19,549,348	22,661,021	33,718,987	25,867,031	10,865,955	25,867,031	28,663,818	10.81%	10.81%	100.00%	29,319,721	31,671,453
NET OPERATING INCOME	17,322,609	19,549,348	22,661,021	33,718,987	25,867,031	10,865,955	25,867,031	28,663,818	10.81%	10.81%	100.00%	29,319,721	31,671,453
Year on Year Increase	-11.98%	12.85%	15.92%	94.65%	32.32%	0.00%	0.00%	10.81%	10.81%	10.81%	100.00%	2.29%	8.02%
EXPENDITURE													
Employee Related Costs - Salaries & Wages	6,551,977	7,463,905	9,574,122	14,731,882	9,726,726	4,968,349	9,726,726	10,932,086	12.39%	12.39%	40.28%	11,588,011	12,283,292
Remuneration of Directors				645,000	600,000	330,000	600,000	633,000	5.50%	5.50%	2.33%	670,980	711,239
Sub-Total: Remuneration	6,551,977	7,463,905	9,574,122	15,376,882	10,326,726	5,298,349	10,326,726	11,565,086	11.99%	11.99%	42.61%	12,258,991	12,994,531
Bad Debts (Provision for Bad Debts) - current trends	13,958	400	1,113,217			16,346			0.00%	0.00%	0.00%		
Sub-Total: Bad Debt Provision	13,958	400	1,113,217	0	0	16,346	0	0	0.00%	0.00%	0.00%	0	0
Depreciation - Existing Assets	149,884	1,673,376	1,679,546	2,540,560	1,500,561	750,280	1,500,561	1,500,561	1,500,561	1,500,561	1,500,561	1,500,561	1,500,561
Sub-Total: Depreciation	149,884	1,673,376	1,679,546	2,540,560	1,500,561	750,280	1,500,561	1,500,561	0.00%	0.00%	5.53%	1,500,561	1,500,561
Repairs and Maintenance - External Contractors	61,074	1,571,161	1,560,522	1,841,216	1,485,449	613,615	1,485,449	1,396,575	5.15%	5.15%	5.15%	1,480,370	1,569,191
Sub-Total: Repairs and Maintenance	61,074	1,571,161	1,560,522	1,841,216	1,485,449	613,615	1,485,449	1,396,575	5.15%	5.15%	5.15%	1,480,370	1,569,191
Interest Expense - Current External Borrowings		259,786	1,027,766	1,276,169	860,000	415,720	860,000	700,000	-18.60%	-18.60%	2.58%	560,000	420,000
Sub-Total: Interest Expense	0	259,786	1,027,766	1,276,169	860,000	415,720	860,000	700,000	-18.60%	-18.60%	2.58%	560,000	420,000
General Expenses	7,162,927	7,916,388	10,670,596	12,422,568	11,252,273	5,504,045	11,252,273	11,977,011				12,653,086	13,663,066
Impairment loss		1,715											
Loss on Sale of Assets													
TOTAL OPERATING EXPENDITURE	13,939,820	18,886,731	25,625,769	33,457,395	25,425,009	12,598,355	25,425,009	27,139,233	6.74%	6.74%	100.00%	28,453,008	30,147,349
NET OPERATING EXPENDITURE	13,939,820	18,886,731	25,625,769	33,457,395	25,425,009	12,598,355	25,425,009	27,139,233	6.74%	6.74%	100.00%	28,453,008	30,147,349
Year on Year Increase	-12.60%	35.49%	35.68%	140.01%	34.62%	0.00%	0.00%	6.74%	6.74%	6.74%	100.00%	4.84%	5.95%
OPERATING SURPLUS/(DEFICIT)													
Total Other Adjustments	945,439	183,694	-836,935	73,246	123,766	-485,072	123,766	426,884				242,680	426,749
NET OPERATING SURPLUS/(DEFICIT)	2,437,350	478,923	-2,127,813	188,346	318,256	-1,247,328	318,256	1,097,701				624,033	1,097,355

2.10.21 Waste Management Department

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Waste Management Department

NAME OF THE PROJECT	BRIEF DESCRIPTION
Cleaning and rehabilitation of illegal dumping hot spots	100 hot spots programme - Clean and rehabilitate identified illegal dumping hot spots
Waste to Bio-Fuel	Conversion of methane gas to bio-fuel for EMM refuse collection fleet
Waste Business Re-engineering	Business improvement program aimed at improving current systems, maximising efficiency and minimising costs: <ul style="list-style-type: none"> • Waste collection improvement plan • Area street cleaning improvement plan • Business/bulk waste improvement • Refuse management information system • Fixed collection calendar
Cooperatives in Waste Management Services	Establishment of cooperatives to render waste management services in informal settlements
Norms and standards for Waste Management	Framework for norms and standards developed and implemented

Draft Operating budget of the Waste Management Department

Waste Management Department provides a wide range of waste management services to approximately one million formal and informal households. Approximately 1.6 million tons of waste is collected and disposed of by the department annually, this is in addition to that collected and disposed of by private service providers. Waste Management Services provides two categories of services, viz refuse removal services to households and commercial (business) services.

The Council services includes the collection and disposal of domestic, business and putrescible waste, street cleaning, area cleaning, the management of litter bins, the collection of illegally dumped waste, the collection and disposal of animal carcasses found in public places and the operation of mini sites. The commercial services, which WMS provides in competition with other private waste management companies, includes the bulk collection services, the collection and disposal of hazardous waste, composting, recycling activities and the operation of landfill sites. The services can be further subdivided into core and non-core services which are either billable or non-billable, depending on the service offering. The billable services are revenue generating whilst the non-billable services are social services, the costs of which are funded through rates and taxes levied by the Metro.

The above is a traditional cradle to grave process which entails collection, transportation and disposal. The department is faced with challenges of air space availability, greenhouse gas emissions, increased costs of collection, transportation and disposal, illegal dumping amongst others. Implementation of the waste hierarchy requires changes in the way products are designed and manufactured in order to promote their re-use and

recycling, giving effect to the concept of cradle to cradle waste management approach. Cradle to grave management ensures that once a product reaches the end of its life span, its component parts are recovered, reused or recycled. Integrated waste management requires the implementation of a hierarchical approach to waste management, i.e. a sequential application of waste prevention/minimisation, recycling and re-use, treatment, and ultimately disposal. Hence, recycling is an integral activity in the way waste management will be implemented in the department.

The policy and strategy vision for these preventive and proactive waste management steps are that the rate of increase of waste disposed to landfill sites will be slowed down and informal salvaging at landfills will decrease. Natural resources (renewable and non-renewable) will be better conserved, landfill air-space will be more effectively utilised, and pollution and environmental degradation will be reduced. In addition, recycling has the potential for job creation, by promoting entrepreneurs to establish community collection systems and recycling centres. Increased reliable and cost effective waste collection services will be realised by providing refuse removal services to business, in formal areas, households in informal areas, indigent households, rehabilitate illegal dumping sites, upgrading of mini-dumping sites. Waste treatment facilities, composting facilities will be developed using the capital budget provided.

The department is increasing compliance with relevant legislation governing landfill sites by extracting of methane gas, monitoring methane emissions from land-fill sites, monitoring quality of underground water in respect of landfill sites, monitoring the quality of surface water in respect of landfill sites, waste received is compacted into cells and covered daily, maintenance of closed landfill sites will be implemented, rehabilitation of closed landfill sites, increased recycling of waste material, capacitate communities to undertake recycling, training of interested persons in recycling and other environmental issues. In addition, recycling has the potential for job creation and is a viable alternative to informal salvaging at landfills, which is undesirable due to the associated problems of health and safety. Improved education and awareness on environmental issues, conduct school programmes on environmental awareness, waste prevention, minimization, re-use, recycling, treatment and ultimately disposal

Table 76: Operating budget of the Waste Management Department

WASTE MANAGEMENT												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16				2014/15	2015/16
INCOME												
Interest Earned - Outstanding Debtors	23,484	23,484	21,243	32,136	26,984	29,682	31,908	14.90%	-16.03%	2.06%	29,682	31,908
Sub-total: Penalties and Interest on Debtors	23,484	23,484	21,243	32,136	26,984	29,682	31,908	14.90%	-16.03%	2.06%	29,682	31,908
Solid Waste Income	872,590	872,590	498,663	877,987	1,036,451	1,141,789	1,230,344	18.78%	18.05%	79.23%	1,141,789	1,230,344
Departmental Usage	92,021	92,021	36,525	91,861	111,371	128,076	147,288	21.03%	21.24%	8.51%	128,076	147,288
Sub-total: Solid Waste Sales	964,611	964,611	535,188	969,848	1,147,822	1,269,866	1,377,631	18.99%	18.35%	87.74%	1,269,866	1,377,631
Total: User Charges for Services	964,611	964,611	535,188	969,848	1,147,822	1,269,866	1,377,631	18.99%	18.35%	87.74%	1,269,866	1,377,631
Equitable Share	405,412	405,412	304,035	405,412	91,680	105,431	121,246	-77.39%	-77.39%	7.01%	105,431	121,246
Sub-Total: Operating Grants	405,412	405,412	304,035	405,412	91,680	105,431	121,246	-77.39%	-77.39%	7.01%	105,431	121,246
Municipal Infrastructure Grant for Cities	2,700	2,700	-	2,700	41,700	45,000	8,000	1444.44%	1444.44%	3.19%	45,000	8,000
Sub-Total: Capital Grants	2,700	2,700	-	2,700	41,700	45,000	8,000	1444.44%	1444.44%	3.19%	45,000	8,000
Carbon Credits	5,000	5,000	-	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Other Sundry Income	-	-	30	30	-	-	-	0.00%	0.00%	0.00%	-	-
Sub-Total: Other Income	5,000	5,000	30	30	-	-	-	0.00%	0.00%	0.00%	-	-
TOTAL OPERATING INCOME	1,401,207	1,401,207	860,497	1,410,127	1,308,185	1,449,979	1,538,786	-6.64%	-7.23%	100.00%	1,449,979	1,538,786
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	1,401,207	1,401,207	860,497	1,410,127	1,308,185	1,449,979	1,538,786	-6.64%	-7.23%	100.00%	1,449,979	1,538,786

WASTE MANAGEMENT											
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	%	%	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	B to B	P to B	Of Total	2014/15	2015/16	
EXPENDITURE											
Employee Related Costs - Salaries & Wages	228,855	223,855	110,405	195,644	244,002	9.00%	24.72%	18.65%	260,106	276,753	
Employee Related Costs - Overtime	38,547	38,547	33,868	38,531	41,438	7.50%	7.54%	3.17%	44,173	47,000	
Employee Related Costs - Social Contributions	53,019	53,019	27,754	48,582	55,112	3.95%	13.44%	4.21%	58,750	62,510	
Employee Related Costs - Salaries Capitalised	(5,303)	(5,303)	-	(5,303)	(5,824)	9.83%	9.83%	-0.45%	(6,209)	(6,606)	
Sub-Total: Remuneration	315,118	310,118	172,027	277,455	334,728	7.94%	20.64%	25.59%	356,820	379,657	
Bad Debts (Provision for Bad Debts) - additional target	67,988	67,988	53,392	67,988	54,719	-19.52%	-19.52%	4.18%	62,151	67,905	
Sub-Total: Bad Debt Provision	67,988	67,988	53,392	67,988	54,719	-19.52%	-19.52%	4.18%	62,151	67,905	
Depreciation - Existing Assets	50,813	50,813	29,641	30,215	52,845	4.00%	74.90%	4.04%	55,487	58,262	
Sub-Total: Depreciation	50,813	50,813	29,641	30,215	52,845	4.00%	74.90%	4.04%	55,487	58,262	
Repairs and Maintenance - External Contractors	88,446	91,227	42,167	84,826	96,769	6.07%	14.08%	7.40%	101,704	106,687	
Repairs and Maintenance - Internal Maintenance Teams	8,566	8,795	1,530	8,744	5,146	-41.49%	-41.15%	0.39%	5,485	5,836	
Sub-Total: Repairs and Maintenance	97,012	100,022	43,698	93,571	101,914	1.89%	8.92%	7.79%	107,189	112,524	
Interest Expense - Current External Borrowings	58,244	58,244	23,669	62,070	67,324	15.59%	8.46%	5.15%	91,886	89,049	
Sub-Total: Interest Expense	58,244	58,244	23,669	62,070	67,324	15.59%	8.46%	5.15%	91,886	89,049	
Contracted Services - Existing Contracts	220,059	226,359	99,630	218,617	222,866	-1.54%	1.94%	17.04%	240,696	259,951	
Sub-Total: Contracted Services	220,059	226,359	99,630	218,617	222,866	-1.54%	1.94%	17.04%	240,696	259,951	
Grants & Subsidies Paid - Social/Educational/Sports	20,000	20,000	1,440	16,000	57,824	189.12%	261.40%	4.42%	66,497	76,472	
Grants & Subsidies Paid - Free Basic Services - Indigents	46,841	46,841	20,246	31,434	33,856	-27.72%	7.71%	2.59%	38,934	44,775	
Sub-Total: Grants and Subsidies	66,841	66,841	21,686	47,434	91,680	37.16%	93.28%	7.01%	105,431	121,246	
General Expenses	257,943	255,095	104,581	240,016	382,024	49.76%	59.17%	29.20%	412,221	445,014	
TOTAL OPERATING EXPENDITURE	1,134,018	1,135,480	548,323	1,037,365	1,308,101	15.20%	26.10%	100.00%	1,431,881	1,533,607	
Internal Transfers:											
Internal Charges	-	-	-	-	-	0.00%	0.00%	0.00%	-	-	
NET OPERATING EXPENDITURE	1,134,018	1,135,480	548,323	1,037,365	1,308,101	15.20%	26.10%	100.00%	1,431,881	1,533,607	
OPERATING SURPLUS/(DEFICIT)	267,189	265,727	312,174	372,761	84	-99.97%	-99.98%		18,098	5,178	
Contribution to Capital Budget	2,700	2,700	-	2,700	41,700	1444.44%	1444.44%		45,000	8,000	
Total Transfers from Cash-Backed Reserves	13,659	13,659	7,968	13,659	14,342	5.00%	5.00%		15,059	15,812	
NET OPERATING SURPLUS/ (DEFICIT)	278,148	276,686	320,142	383,721	(27,273)	-109.86%	-107.11%		(11,843)	12,991	

Capital budget of the Waste Management Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	65,432,000	-	-
Revenue	12,900,000	10,400,000	15,800,000
Other Loan Funding	-	86,516,800	140,000,000
USDG	41,700,000	45,000,000	8,000,000
Total	120,032,000	141,916,800	163,800,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Brakpan	15,000,000	5,000,000	4,000,000
Corporate	35,500,000	42,500,000	81,000,000
Duduza	-	-	30,000,000
Germiston	5,000,000	15,000,000	-
KwaThema	16,700,000	15,000,000	2,000,000
Operational Equipment	42,832,000	54,416,800	39,800,000
Tsakane	-	-	5,000,000
Vosloorus	5,000,000	10,000,000	2,000,000
Total	120,032,000	141,916,800	163,800,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All Wards	-	-	35,000,000
CBD	5,000,000	15,000,000	8,500,000
Developed, Residential	19,000,000	5,000,000	12,000,000
Operational Equipment	50,332,000	58,916,800	32,300,000
Underdeveloped	45,700,000	63,000,000	76,000,000
Total	120,032,000	141,916,800	163,800,000

Expected outcomes from the implementation of the Capital budget

The Waste Management Services Directorate renders the following main services:

- Waste collection
- Waste disposal and landfill management

The total budget of the department is R120m. The unavailability of specialised vehicles which, as a result, impacts on the collection of waste has been addressed on the 2013/14 budget as follows:

- R38,9m has been provided for the supply and delivery of refuse removal vehicles to address the service delivery backlog and also addressing new developments.

Some of the key projects:

- R41,7m has been provided for the cell and landfill site development at the Weltevreden and Rietfontein, Rooikraal, Brakpan, Simmer and Jack and Platkop landfill sites to comply with legislation.
- R4m for the supply of bulk containers
- R8m for the development as well as the upgrading of public offloading/recycling facilities
- R10m for the installation of gas flares and wells

2.10.22 Water and Sanitation

The result statements of the department is contained in the IDP in Annexure A

Key Strategic Projects of the Water and Sanitation Department

PROJECT NAME	PROJECT DESCRIPTION
Rainwater harvesting network	The project aims to investigate options that can be implemented with a view of collecting rainwater for use in order to reduce potable water usage.
Reduction in Non-Revenue Water	There are various projects within this programme, some of which are listed below: 1) Replacement of mid-block water pipelines within EMM. 2) Domestic leak repairs and meter replacement in the Tsakane area. 3) Bulk metering audit and consolidation for Wadeville industrial area. 4) Investigate and implement water saving devices for Council buildings.
Enhance water management information and revenue system	This project is aimed at sourcing management system that can be utilized to manage the distribution system with a view to manage revenue, identify losses and maintain infrastructure. The projects include: 1) Telemetry system 2) Maintenance system 3) Infrastructure Management Query Station
Project <i>Xixima</i>	Implementation of sustainable sanitation solution in prioritized informal settlements.
Installation of services for low cost housing developments.	Installation of water services infrastructure in Palm Ridge

Operating budget of the Water and Sanitation Department

Bulk purchase of water comprises 51.34% (R1,923,870,255) of the Water Service expenditure.

The waste water treatment services by Erwat comprise 12.57% of the total expenditure budget of Water Services. The amount provided on the 2013/2014 budget for this service amounts to R471,077,279. Erwat's motivation for this increase is the growth in flow and the need to extend and improve the various Waste Water Treatment Works.

To address critically required maintenance and the refurbishment of water and sewer infrastructure, a 2% maintenance levy, calculated as a percentage of total income was approved for the 2012/13 financial year. It is recommended that this levy be maintained at 2% for 2013/14.

The greatest challenge facing the department is the non-revenue water. Non-revenue water is currently at 29% and the department aims to reduce this through the implementation of additional repairs and maintenance works, the renewal of infrastructure as well as the installation of water meters in areas previously unmetered. Special provision is made on the 2013/14 Capital Budget for a water loss eradication project in order to reduce the water losses.

The operating budget per category is attached hereto.

Table 77: Operating budget of the Water and Sanitation Department

WATER AND SANITATION												
FINANCIAL PERIOD	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2013/14				2014/15	2015/16
INCOME												
Interest Earned - Outstanding Debtors	107,019	107,019	85,343	114,414	120,000	132,000	120,000	12.13%	4.88%	2.63%	132,000	145,200
Sub-total: Penalties and Interest on Debtors	107,019	107,019	85,343	114,414	120,000	132,000	120,000	12.13%	4.88%	2.63%	132,000	145,200
Sanitation Income	1,065,900	1,065,900	583,834	1,041,223	1,102,894	1,185,611	1,102,894	3.47%	5.92%	24.19%	1,185,611	1,274,535
Departmental Usage	13,105	13,105	4,722	6,315	29,874	32,115	29,874	127.96%	373.04%	0.66%	32,115	34,523
Less: Income foregone	240,987	240,987	129,090	252,342	269,905	290,148	269,905	12.00%	6.96%	5.92%	290,148	311,909
Sub-total: Net Sanitation Sales	838,018	838,018	459,467	795,196	862,863	927,578	862,863	2.96%	8.51%	18.93%	927,578	997,149
Water Sales	2,677,210	2,677,210	1,476,778	2,572,590	2,854,757	3,140,232	2,854,757	6.63%	10.97%	62.62%	3,140,232	3,454,256
Departmental Usage	35,735	35,735	30,345	32,162	47,368	52,104	47,368	32.55%	47.28%	1.04%	52,104	57,315
Less: Income foregone	298,356	298,356	166,603	312,955	327,654	360,419	327,654	9.82%	4.70%	7.19%	360,419	396,461
Sub-total: Net Water Sales	2,414,589	2,414,589	1,340,521	2,291,797	2,574,470	2,831,917	2,574,470	6.62%	12.33%	56.47%	2,831,917	3,115,109
Total: User Charges for Services	3,252,606	3,252,606	1,799,988	3,086,993	3,437,334	3,759,495	3,437,334	5.68%	11.35%	75.40%	3,759,495	4,112,258
Disconnection Fees	20	20	46	4	70	74	70	250.00%	1633.96%	0.00%	74	77
Sub-Total: Fines	20	20	46	4	70	74	70	250.00%	1633.96%	0.00%	74	77
Operating Grants & Subsidies - Other	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Equitable Share	801,358	801,358	600,971	801,358	627,883	683,666	627,883	-21.65%	-21.65%	13.77%	683,666	744,502
Finance Management Grant	50,000	218,547	98,703	218,547	210,917	248,263	210,917	-3.49%	-3.49%	4.63%	248,263	256,670
Sub-Total: Operating Grants	851,358	1,019,906	699,674	1,019,906	838,800	931,929	838,800	-17.76%	-17.76%	18.40%	931,929	1,001,172
Capital Grants - Other	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Municipal Infrastructure Grant for Cities	185,040	206,623	48,540	206,623	161,200	186,617	161,200	-21.98%	-21.98%	3.54%	186,617	123,800
Sub-Total: Capital Grants	185,040	206,623	48,540	206,623	161,200	186,617	161,200	-21.98%	-21.98%	3.54%	186,617	123,800
Essential Services	1,200	1,200	455	1,463	1,500	1,577	1,500	25.00%	2.54%	0.03%	1,577	1,654
Other Sundry Income	11	11	264	264	1	1	1	-90.07%	-99.58%	0.00%	1	1
Sub-Total: Other Income	1,211	1,211	719	1,727	1,501	1,578	1,501	23.95%	-13.09%	0.03%	1,578	1,655
TOTAL OPERATING INCOME	4,397,254	4,587,385	2,634,310	4,429,667	4,558,905	5,011,693	4,558,905	-0.62%	2.92%	100.00%	5,011,693	5,384,162
Internal Recoveries	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING INCOME	4,397,254	4,587,385	2,634,310	4,429,667	4,558,905	5,011,693	4,558,905	-0.62%	2.92%	100.00%	5,011,693	5,384,162

WATER AND SANITATION												
FINANCIAL PERIOD												
	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F00 R'000	F01 R'000	% B to B	% P to B	% Of Total	F02 R'000	F03 R'000
	ORG BUDGET	ADJ BUDGET	YEAR TO DATE	PROJECTED	2013/14	2014/15	2015/16				2014/15	2015/16
EXPENDITURE												
Employee Related Costs - Salaries & Wages	210,178	210,178	107,506	185,189	221,701	236,334	251,459	5.48%	19.72%	5.92%	236,334	251,459
Employee Related Costs - Overtime	21,110	21,110	17,891	21,109	22,693	24,190	25,739	7.50%	7.50%	0.61%	24,190	25,739
Employee Related Costs - Social Contributions	51,391	51,391	26,059	47,039	52,975	56,471	60,085	3.08%	1.41%	1.41%	56,471	60,085
Employee Related Costs - Salaries Capitalised	(4,855)	(4,855)	-	(4,855)	(10,417)	(11,568)	(11,815)	114.56%	-0.28%	-0.28%	(11,568)	(11,815)
Employee Related Costs - Salaries to R and M Internal	(219,790)	(219,790)	(127,172)	(219,790)	(235,408)	(250,945)	(267,005)	7.11%	7.11%	-6.28%	(250,945)	(267,005)
Sub-Total: Remuneration	58,034	58,034	24,285	28,692	51,544	54,946	58,462	-11.18%	79.64%	1.38%	54,946	58,462
Bad Debts (Provision for Bad Debts) - additional target	251,565	251,565	211,669	233,826	90,710	109,594	131,307	-63.94%	-61.21%	2.42%	109,594	131,307
Sub-Total: Bad Debt Provision	251,565	251,565	211,669	233,826	90,710	109,594	131,307	-63.94%	-61.21%	2.42%	109,594	131,307
Depreciation - Existing Assets	164,470	164,470	95,941	301,973	171,048	179,601	188,581	4.00%	-43.36%	4.56%	179,601	188,581
Sub-Total: Depreciation	164,470	164,470	95,941	301,973	171,048	179,601	188,581	4.00%	-43.36%	4.56%	179,601	188,581
Repairs and Maintenance - External Contractors	97,320	94,572	41,522	101,607	98,601	103,629	108,707	4.26%	-2.96%	2.63%	103,629	108,707
Repairs and Maintenance - Water Maintenance Levy	61,448	61,448	10,124	61,448	63,814	69,360	76,360	3.85%	3.85%	1.70%	69,360	76,360
Repairs and Maintenance - Internal Maintenance Teams	224,547	225,294	129,062	224,947	239,358	255,156	271,486	6.24%	6.41%	6.39%	255,156	271,486
Sub-Total: Repairs and Maintenance	383,315	381,314	180,708	388,002	401,773	428,586	456,553	5.37%	3.55%	10.72%	428,586	456,553
Interest Expense - Current External Borrowings	45,468	45,468	22,382	17,271	60,689	72,594	70,353	33.48%	251.39%	1.62%	72,594	70,353
Sub-Total: Interest Expense	45,468	45,468	22,382	17,271	60,689	72,594	70,353	33.48%	251.39%	1.62%	72,594	70,353
Bulk Purchases - Electricity	-	2,000	-	-	-	-	-	-100.00%	0.00%	0.00%	-	-
Bulk Purchases - Water	1,755,085	1,755,085	1,025,120	1,736,687	1,923,870	2,116,257	2,327,883	9.62%	10.78%	51.34%	2,116,257	2,327,883
Bulk Purchases - Sewer purification	437,956	437,956	255,386	437,956	471,077	506,408	544,389	7.56%	7.56%	12.57%	506,408	544,389
Sub-Total: Bulk Purchases	2,193,042	2,195,042	1,280,506	2,174,643	2,394,948	2,622,665	2,872,272	9.11%	10.13%	63.91%	2,622,665	2,872,272
Contracted Services - Existing Contracts	41,081	41,115	22,713	31,217	35,959	38,835	41,942	-12.54%	15.19%	0.96%	38,835	41,942
Sub-Total: Contracted Services	41,081	41,115	22,713	31,217	35,959	38,835	41,942	-12.54%	15.19%	0.96%	38,835	41,942
Grants & Subsidies Paid - Social/Educational/Sports	3,000	3,000	667	1,427	5,100	5,610	6,171	70.00%	257.29%	0.14%	5,610	6,171
Grants & Subsidies Paid - Entities	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
Grants & Subsidies Paid - Free Basic Services - Indigents	157,653	17,653	77,918	12,760	25,224	27,489	29,960	42.89%	97.68%	0.67%	27,489	29,960
Sub-Total: Grants and Subsidies	160,653	20,653	78,585	14,187	30,324	33,099	36,131	46.83%	113.74%	0.81%	33,099	36,131
General Expenses	299,991	300,584	135,449	289,919	299,708	315,897	331,871	-0.29%	3.38%	8.00%	315,897	331,871
Grants Expenditure	50,000	218,547	29,923	50,000	210,917	248,263	256,670	-3.49%	321.83%	5.63%	248,263	256,670
TOTAL OPERATING EXPENDITURE	3,647,619	3,676,791	2,082,161	3,529,733	3,747,620	4,104,081	4,444,143	1.93%	6.17%	100.00%	4,104,081	4,444,143
Internal Transfers:												
Internal Charges	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	-	-
NET OPERATING EXPENDITURE	3,647,619	3,676,791	2,082,161	3,529,733	3,747,620	4,104,081	4,444,143	1.93%	6.17%	100.00%	4,104,081	4,444,143
OPERATING SURPLUS/(DEFICIT)	749,635	910,594	552,149	899,935	811,285	907,612	940,019	-10.91%	-9.85%		907,612	940,019
Contribution to Capital Budget	185,040	206,623	-	185,040	161,200	186,617	123,800	-21.98%	-12.88%		186,617	123,800
Total Transfers from Cash-Backed Reserves	100,283	(19,717)	58,499	100,283	105,297	110,562	116,090	-634.05%	5.00%		110,562	116,090
NET OPERATING SURPLUS/(DEFICIT)	664,878	684,254	610,647	815,178	755,382	831,557	932,309	10.40%	-7.34%		831,557	932,309

Capital budget of the Water and Sanitation Department

The department has requested the following capital budget:

Budget per Source of Finance

Source of Finance	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Municipal Bonds	98,900,000	-	-
Revenue	8,600,000	8,600,000	10,550,000
Other Loan Funding	-	86,500,000	105,500,000
Project Finance	150,000,000	150,000,000	150,000,000
USDG	161,200,000	186,617,455	123,800,000
Total	418,700,000	431,717,455	389,850,000

Budget per Customer Care Area

CCA	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
Benoni	22,500,000	1,100,000	1,000,000
Boksburg	1,000,000	4,000,000	-
Brakpan	13,100,000	17,200,000	7,000,000
Corporate	177,800,000	232,300,000	249,700,000
Duduza	500,000	-	-
Edenvale	1,700,000	10,000,000	4,500,000
Etwatwa	13,000,000	19,500,000	10,000,000
Germiston	21,200,000	1,000,000	-
Katlehong	500,000	10,000,000	5,000,000
Katlehong 2	61,600,000	40,817,455	-
Kempton Park	40,100,000	59,700,000	90,000,000
KwaThema	17,000,000	6,500,000	-
Nigel	4,000,000	-	-
Operational Equipment	7,600,000	7,600,000	9,550,000
Springs	13,000,000	7,500,000	8,100,000
Tembisa	3,600,000	13,000,000	5,000,000
Tembisa 2	1,000,000		
Vosloorus	19,500,000	1,500,000	
Total	418,700,000	431,717,455	389,850,000

Budget per Ward Category

Ward Category	Budget Submission 2013/14	Budget Submission 2014/15	Budget Submission 2015/16
All wards	164,300,000	162,800,000	179,200,000
CBD	8,000,000		
Developed, Residential	54,300,000	19,100,000	12,500,000
Operational Equipment	7,600,000	7,600,000	9,550,000
Underdeveloped	184,500,000	242,217,455	188,600,000
Total	418,700,000	431,717,455	389,850,000

Expected outcomes from the implementation of the Capital budget

The mission of the department is the provision and management of water services in an effective, efficient, affordable, equitable and sustainable manner, applying appropriate standards and the optimal utilisation of resources, guided by the principles of Batho Pele whilst taking into consideration the environment, developmental needs and services backlog of the communities.

The total budget for the department is R418,7m. Some of the big projects to be implemented on the 2013/14 financial year include:

- R150m for the water loss eradication programme – a loan from DBSA will be taken to finance the programme
- R61,6m for the installation of bulk and internal services required for the Palm Ridge phases 5 & 6 (Ext 9) development areas.
- R14m for the upgrade of outfall sewers in Vosloorus
- R15m each for the bulk supply of the Albertina Sisulu Corridor in Pomona as well as the eastern outfall sewer in Pomona

Budget of ERWAT**Key Strategic Projects of Erwat**

The Erwat Board approved a strategy at their strategic planning session in June 2011 and the following key strategic projects were identified:

The above was reduced to two clear strategic objectives namely:

- 19 Green drops
- R200m revenue from other activities

19 GREEN DROPS

In order to achieve the strategic objective of 19 green drops the ERWAT capital budget has been re-assessed and prioritized to be able to achieve this objective. It is, however clear that the timeframe, for achieving this objective is quite long and the current target is 10 Green drops by 2017.

The Capital schedule indicates total need of R1,173.6m over the three years ending 30/6/2015. Of this finance to the amount of R464.3m is already available but finance, through loans, grants and development contributions of R709,3m must be obtained to enable ERWAT to complete these projects. The capital need for 2013/2014 of R405.0m.

MAINTENANCE

In order to further support the strategic objective of 19 Green drop awards the maintenance budget has been increased from R56,7m in 2012 to R58,9 in 2013 (4,0%). This is necessary to facilitate the refurbishment of some plants and to ensure the effective operation of all plants in order to comply with required standards and ultimately obtaining Green drop status for the plants.

EXTERNAL BUSINESS

The second strategic objective agreed on was the increase of ERWAT external business to a turnover of R200m over the next five years.

The budget used as a target for external business is R143,9m (56%) higher than the previous budget of R77,4m to support this strategic objective.

Operating budget of ERWAT

The assumptions and guidelines used in compiling the draft budget are as follows:

EXPENDITURE	Suggested increase 2013/2014	Increase 2012/2013
Manpower (Ave CPI* +1,25)	7,0%	7,01%
Electricity	13,0%	15,0%
Chemicals	10,0%	12,0%
Other costs (CPI minus 1%)	4,75%	5%
*CPI estimate 5,75%		

INCOME	Suggested increase 2013/2014	Increase 2012/2013
Revenue Growth		
User Charges	7.6%	10,68%
External Business	13%	28%

The bulk sewer purification costs budgeted by EMM is therefore based on the 7,6% increase as indicated above.

Table 78: Budget of ERWAT

EAST RAND WATER CARE COMPANY												
FINANCIAL PERIOD	F-03 2009/10	F-02 2010/11	F-01 2011/12	F00 ORG BUDGET	F00 ADJ BUDGET	F00 YEAR TO DATE	F01 2013/14	% B to B	% P to B	% Of Total	F02 2014/15	F03 2015/16
Sanitation Income	264,943,032	339,058,193	405,298,885	452,293,009	452,293,010	452,293,010	486,667,278	7.60%	7.60%	79.81%	587,013,466	654,496,944
Sub-total: Net Sanitation Sales	264,943,032	339,058,193	405,298,885	452,293,009	452,293,010	452,293,010	486,667,278	7.60%	7.60%	79.81%	587,013,466	654,496,944
Total: User Charges for Services	264,943,032	339,058,193	405,298,885	452,293,009	452,293,010	452,293,010	486,667,278	7.60%	7.60%	79.81%	587,013,466	654,496,944
Rent of Facilities and Equipment - Other	199,690	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0
Sub-total: Rent of Facilities and Equipment	199,690	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0
Interest Earned - Bank Balances / (Interest on overdraft)	628,140	492,654	70,000	70,000	70,000	70,000	70,000	0.00%	0.00%	0.01%	1,638,250	1,547,989
Interest Earned - Current Investment Portfolio	2,815,756	5,176,186	10,087,794	977,000	5,070,861	5,070,861	1,726,950	-65.94%	-65.94%	0.28%	1,638,250	1,547,989
Sub-Total: Interest Earned	3,443,896	5,668,840	10,087,794	1,047,000	5,140,861	5,140,861	1,796,950	-65.05%	-65.05%	0.29%	1,638,250	1,547,989
Operating Grants & Subsidies - Other	15,977,926	9,934,166	37,934,179	0	0	0	0	0.00%	0.00%	0.00%	0	0
Sub-Total: Operating Grants	15,977,926	9,934,166	37,934,179	0	0	0	0	0.00%	0.00%	0.00%	0	0
Capital Grants - Other	0	0	0	68,632,989	50,000,000	50,000,000	50,000,000	0.00%	0.00%	0.00%	50,000,000	50,000,000
Sub-Total: Capital Grants	0	0	0	68,632,989	50,000,000	50,000,000	50,000,000	0.00%	0.00%	0.00%	50,000,000	50,000,000
Other Sundry Income	51,798,844	54,751,521	60,196,576	66,552,192	66,073,942	66,073,942	71,309,923	7.92%	7.92%	11.69%	69,651,280	73,718,804
Sub-Total: Other Income	51,798,844	54,751,521	60,196,576	78,185,181	66,073,942	66,073,942	71,309,923	7.92%	7.92%	11.69%	69,651,280	73,718,804
TOTAL OPERATING INCOME	336,363,388	409,412,720	519,217,434	600,158,179	573,507,813	573,507,813	609,774,151	6.32%	6.32%	100.00%	708,302,996	779,763,737
NET OPERATING INCOME	336,363,388	409,412,720	519,217,434	600,158,179	573,507,813	573,507,813	609,774,151	6.32%	6.32%	100.00%	708,302,996	779,763,737
Year on Year Increase	21.34%	21.72%	26.82%	78.43%	40.08%	0.00%	6.32%	6.32%	16.16%	10.09%		
EXPENDITURE												
Employee Related Costs - Salaries & Wages	111,216,423	120,520,603	130,445,942	167,756,345	159,034,219	159,034,219	183,855,739	15.61%	15.61%	32.84%	198,641,636	212,748,204
Remuneration of Directors	0	0	0	680,581	1,004,422	1,004,422	1,074,732	7.00%	7.00%	0.19%	1,149,963	1,230,460
Sub-Total: Remuneration	111,216,423	120,520,603	130,445,942	168,436,926	160,038,641	160,038,641	184,930,471	15.55%	15.55%	33.04%	199,791,599	213,978,664
Bad Debts (Provision for Bad Debts) - current trends	7,289,832	805,382	81,648	784,980	792,490	792,490	727,232	-8.23%	-8.23%	0.13%	630,202	532,883
Sub-Total: Bad Debt Provision	7,289,832	805,382	81,648	784,980	792,490	792,490	727,232	-8.23%	-8.23%	0.13%	630,202	532,883
Depreciation - Existing Assets	29,187,244	29,001,379	30,241,069	55,932,087	39,303,140	39,303,140	46,429,680	18.13%	18.13%	8.29%	56,268,828	65,992,522
Sub-Total: Depreciation	29,187,244	29,001,379	30,241,069	55,932,087	39,303,140	39,303,140	46,429,680	18.13%	18.13%	8.29%	56,268,828	65,992,522
Repairs and Maintenance - External Contractors	29,288,314	25,429,147	51,180,960	56,656,703	51,726,773	51,726,773	58,922,971	13.91%	13.91%	10.53%	57,319,732	59,790,232
Sub-Total: Repairs and Maintenance	29,288,314	25,429,147	51,180,960	56,656,703	51,726,773	51,726,773	58,922,971	13.91%	13.91%	10.53%	57,319,732	59,790,232
Interest Expense - Current External Borrowings	16,276,734	13,967,317	12,692,137	29,859,555	13,603,742	13,603,742	28,395,131	108.73%	108.73%	5.07%	67,752,677	80,161,416
Sub-Total: Interest Expense	16,276,734	13,967,317	12,692,137	29,859,555	13,603,742	13,603,742	28,395,131	108.73%	108.73%	5.07%	67,752,677	80,161,416
Bulk Purchases - Sewer purification	90,752,568	111,689,006	105,830,827	167,835,199	154,089,240	154,089,240	174,918,850	13.52%	13.52%	31.25%	201,966,253	230,880,183
Sub-Total: Bulk Purchases	90,752,568	111,689,006	105,830,827	167,835,199	154,089,240	154,089,240	174,918,850	13.52%	13.52%	31.25%	201,966,253	230,880,183
General Expenses	33,937,372	34,674,211	42,746,955	52,019,740	64,003,895	64,003,895	65,449,815	2.26%	2.26%	11.69%	74,573,705	78,427,837
Grants Expenditure	26,904	23,101,826	0	0	0	0	0	0.00%	0.00%	0.00%	0	0
Impairment loss	144,834	481,533	440,532	0	0	0	0	0.00%	0.00%	0.00%	0	0
Loss on Sale of Assets	0	0	0	0	0	0	0	0.00%	0.00%	0.00%	0	0
Sub-Total: New Expenditure Commitments	34,109,110	58,257,570	43,187,487	0	0	0	0	0.00%	0.00%	0.00%	0	0
TOTAL OPERATING EXPENDITURE	318,120,225	359,670,404	373,660,070	531,525,190	483,557,921	483,557,921	559,774,150	15.76%	15.76%	100.00%	658,302,996	729,763,737
NET OPERATING EXPENDITURE	318,120,225	359,670,404	373,660,070	531,525,190	483,557,921	483,557,921	559,774,150	15.76%	15.76%	100.00%	658,302,996	729,763,737
Year on Year Increase	25.83%	13.06%	3.89%	67.08%	34.44%	0.00%	15.76%	15.76%	17.60%	10.86%		
OPERATING SURPLUS/(DEFICIT)	18,243,163	49,742,316	145,557,364	68,632,989	89,949,892	89,949,892	50,000,001				50,000,000	50,000,000
Contribution to Capital Budget	0	0	0	50,000,000	50,000,000	50,000,000	50,000,000	0.00%	0.00%	0.00%	50,000,000	50,000,000
NET OPERATING SURPLUS/(DEFICIT)	18,243,163	49,742,316	145,557,364	68,632,989	39,949,892	39,949,892	50,000,001				50,000,000	50,000,000

2.11 Contracts having future budgetary implications

In terms of the Metro's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following three tables present details of the Metro's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 79: MBRR SA 34a - Capital expenditure on new assets by asset class

EKU Ekurhuleni Metro - Supporting Table SA34a Consolidated 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	594,282	437,337	634,556	1,161,554	1,162,465	1,046,219	1,289,228	1,524,519	1,570,098
Infrastructure - Road transport	211,086	187,971	86,786	379,200	397,850	358,065	606,942	563,101	620,498
<i>Roads, Pavements & Bridges</i>	<i>211,086</i>	<i>187,971</i>	<i>86,786</i>	<i>379,200</i>	<i>397,850</i>	<i>358,065</i>	<i>606,942</i>	<i>563,101</i>	<i>620,498</i>
Infrastructure - Electricity	234,540	157,550	269,673	263,679	285,374	256,836	164,931	340,100	417,000
<i>Transmission & Reticulation</i>	<i>200,419</i>	<i>120,016</i>	<i>240,598</i>	<i>123,425</i>	<i>264,974</i>	<i>238,476</i>	<i>145,331</i>	<i>313,950</i>	<i>383,000</i>
<i>Street Lighting</i>	<i>34,121</i>	<i>37,533</i>	<i>29,075</i>	<i>140,254</i>	<i>20,400</i>	<i>18,360</i>	<i>19,600</i>	<i>26,150</i>	<i>34,000</i>
Infrastructure - Water	48,155	52,971	8,956	140,800	138,585	124,727	191,000	264,600	303,500
<i>Reticulation</i>	<i>48,155</i>	<i>52,971</i>	<i>8,956</i>	<i>140,800</i>	<i>138,585</i>	<i>124,727</i>	<i>191,000</i>	<i>264,600</i>	<i>303,500</i>
Infrastructure - Sanitation	12,069	13,276	75,797	109,443	101,905	91,715	110,100	130,017	67,600
<i>Sewerage purification</i>	<i>12,069</i>	<i>13,276</i>	<i>75,797</i>	<i>109,443</i>	<i>101,905</i>	<i>91,715</i>	<i>110,100</i>	<i>130,017</i>	<i>67,600</i>
Infrastructure - Other	88,433	25,570	193,344	268,432	238,751	214,876	216,255	226,700	161,500
<i>Waste Management</i>	<i>22,949</i>	<i>25,244</i>	<i>15,942</i>	<i>29,200</i>	<i>33,358</i>	<i>30,022</i>	<i>45,700</i>	<i>46,500</i>	<i>49,000</i>
<i>Transportation</i>	<i>-</i>	<i>-</i>	<i>33,634</i>	<i>8,000</i>	<i>62,892</i>	<i>56,603</i>	<i>29,500</i>	<i>45,000</i>	<i>20,000</i>
<i>Other</i>	<i>65,483</i>	<i>326</i>	<i>143,768</i>	<i>231,232</i>	<i>142,501</i>	<i>128,251</i>	<i>141,055</i>	<i>135,200</i>	<i>92,500</i>
Community	207,934	191,353	131,651	158,260	124,368	111,931	127,610	107,800	136,611
Parks & gardens	35,547	39,101	18,861	24,770	26,611	23,950	27,100	22,500	54,500
Sportsfields & stadia	62,465	45,690	334	3,000	3,000	2,700	14,000	-	-
Libraries	14,916	16,408	18,218	14,500	13,568	12,211	16,000	11,000	14,911
Recreational facilities	-	-	484	4,400	1,000	900	-	-	-
Clinics	72,585	70,654	86,973	55,590	49,568	44,611	39,710	54,300	67,200
Museums & Art Galleries	-	-	6,781	52,500	27,121	24,409	30,800	20,000	-
Other	22,421	19,500	-	3,500	3,500	3,150	-	-	-
Investment properties	158,942	142,600	52,934	77,683	74,649	67,184	38,550	27,000	75,000
Housing development	158,942	142,600	52,934	77,683	74,649	67,184	38,550	27,000	75,000
Other assets	208,532	250,067	129,907	201,321	184,713	166,241	95,454	129,000	102,850
General vehicles	106,441	123,428	-	-	-	-	-	-	-
Plant & equipment	17,625	33,184	2,645	27,833	42,008	37,807	-	-	-
Furniture and other office equipment	16,425	26,290	3,307	56,668	54,798	49,318	-	-	-
Markets	-	-	4,125	250	250	225	15,000	13,000	15,000
Other Land	53,655	51,962	54,712	90,700	64,050	57,645	80,454	116,000	87,850
Other	14,387	15,203	65,118	25,870	23,606	21,246	-	-	-
Total Capital Expenditure on new assets	1,169,691	1,021,357	949,047	1,598,818	1,546,194	1,391,575	1,550,843	1,788,319	1,884,559

Table 80 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

EKU Ekurhuleni Metro - Supporting Table SA34b Consolidated capital expenditure on 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	631,336	700,570	720,695	604,735	510,175	459,157	720,995	622,250	710,850
Infrastructure - Road transport	330,274	365,302	223,653	244,950	172,600	155,340	325,195	268,850	299,050
Roads, Pavements & Bridges	330,274	365,302	223,653	244,950	172,600	155,340	325,195	268,850	299,050
Infrastructure - Electricity	134,529	148,082	100,456	98,128	92,933	83,640	168,100	164,900	212,000
Transmission & Reticulation	127,176	139,893	100,456	98,128	92,933	83,640	168,100	164,900	212,000
Street Lighting	7,354	8,189							
Infrastructure - Water	18,932	21,826	268,125	91,485	91,560	82,404	40,100	14,300	-
Reticulation	18,932	21,826	268,125	91,485	91,560	82,404	40,100	14,300	-
Infrastructure - Sanitation	9,237	11,161	28,654	60,372	46,924	42,231	68,900	14,200	8,200
Sewerage purification	9,237	11,161	28,654	60,372	46,924	42,231	68,900	14,200	8,200
Infrastructure - Other	138,363	154,199	99,807	109,800	106,158	95,542	118,700	160,000	191,600
Waste Management	107,453	119,198	46,848	32,000	30,718	27,646	26,000	41,000	75,000
Transportation	-	-	28,831	10,500	9,200	8,280	11,200	36,400	1,600
Other	30,910	35,001	24,129	67,300	66,240	59,616	81,500	82,600	115,000
Community	88,707	101,978	67,406	76,910	88,953	80,057	154,250	156,950	164,800
Parks & gardens	47,768	53,545	6,503	2,000	2,500	2,250	15,250	24,100	30,500
Sportsfields & stadia	26,966	30,662	15,200	20,500	22,400	20,160	43,000		3,000
Libraries	1,691	1,960	1,855	1,200	5,428	4,885	17,000	9,000	3,000
Recreational facilities	1,736	2,010	5,500	12,800	16,737	15,063	24,900	23,500	38,000
Buses				2,000	4,000	3,600	12,000	28,000	-
Clinics	9,524	12,476	1,002	31,960	32,437	29,194	29,300	56,350	81,800
Museums & Art Galleries	529	682	29,936	1,350	1,350	1,215	2,500	1,000	1,000
Other	494	643	7,411	5,100	4,100	3,690	10,300	15,000	7,500
Investment properties	-	-	-	-	-	-	41,000	43,000	45,000
Housing development	-	-	-	-	-	-	41,000	43,000	45,000
Other assets	47,559	102,149	263,866	370,245	412,417	371,175	521,345	459,280	508,618
General vehicles	2,960	-	113,100	120,610	142,831	128,548	129,640	138,305	171,650
Specialised vehicles	24,598	70,941	51,168	69,800	109,800	98,820	37,432	48,517	30,000
Plant & equipment	-	-	16,699	1,500	1,950	1,755	38,855	31,007	48,460
Furniture and other office equipment	-	-	29,637	-	-	-	66,037	56,322	64,613
Markets	-	-	-	15,200	12,200	10,980	-	-	-
Other Land	19,710	22,681	41,336	160,135	141,986	127,788	219,703	170,030	181,995
Other	291	8,527	11,925	3,000	3,650	3,285	29,678	15,100	11,900
Total Capital Expenditure on renewal of existing assets	767,602	904,696	1,051,967	1,051,890	1,011,544	910,390	1,437,590	1,281,480	1,429,268
Specialised vehicles	24,598	70,941	51,168	69,800	109,800	98,820	37,432	48,517	30,000
Refuse	24,598	70,941	51,168	69,800	69,800	62,820	37,432	48,517	30,000
Ambulances	-	-	-	-	40,000	36,000	-	-	-
<i>Renewal of Existing Assets as % of total capex</i>	39.6%	47.0%	52.6%	39.7%	39.5%	39.5%	48.0%	41.7%	43.1%
<i>Renewal of Existing Assets as % of deprecn"</i>	158.6%	43.7%	51.8%	84.7%	74.3%	70.7%	109.5%	93.0%	98.7%

Table 81 MBRR SA34c - Repairs and maintenance expenditure by asset class

EKU Ekurhuleni Metro - Supporting Table SA34c Consolidated repairs and maintenance 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	1,286,587	1,371,859	1,377,514	1,498,875	1,498,433	1,487,233	1,620,454	1,724,618	1,833,104
Infrastructure - Road transport	438,021	453,172	392,310	435,039	435,591	430,134	468,365	494,538	521,208
<i>Roads, Pavements & Bridges</i>	403,893	421,024	360,101	402,361	391,188	396,963	433,025	457,034	481,481
<i>Storm water</i>	34,128	32,148	32,209	32,678	44,403	33,171	35,341	37,504	39,727
Infrastructure - Electricity	471,406	532,544	582,466	634,274	634,966	623,431	695,939	744,377	795,464
<i>Transmission & Reticulation</i>	428,131	486,199	534,461	579,550	580,242	568,900	636,846	681,613	728,924
<i>Street Lighting</i>	43,274	46,345	48,005	54,724	54,724	54,531	59,093	62,763	66,539
Infrastructure - Water	248,183	262,002	263,802	299,760	295,074	296,763	312,912	334,352	356,806
<i>Reticulation</i>	248,183	262,002	263,802	299,760	295,074	296,763	312,912	334,352	356,806
Infrastructure - Sanitation	75,974	70,635	85,982	74,202	76,202	81,625	80,294	85,196	90,231
<i>Reticulation</i>	75,974	70,635	85,982	74,202	76,202	81,625	80,294	85,196	90,231
Infrastructure - Other	53,005	53,506	52,953	55,600	56,600	55,280	62,944	66,154	69,396
<i>Waste Management</i>	53,005	53,506	52,953	55,600	56,600	55,280	62,944	66,154	69,396
Community	42,788	45,186	43,852	57,349	63,273	59,675	73,418	77,222	81,070
Parks & gardens	10,077	12,199	11,968	15,775	17,839	17,770	18,214	19,143	20,081
Sportsfields & stadia	479	235	2,361	2,474	2,571	2,450	2,728	2,867	3,007
Swimming pools	241	247	649	511	511	483	536	564	591
Community halls	960	1,506	5,846	4,473	4,642	4,250	5,476	5,755	6,037
Libraries	1,282	910	1,815	948	1,488	1,224	885	930	976
Recreational facilities	-	-	160	176	168	161	184	193	203
Fire, safety & emergency	1,223	5,621	1,400	1,468	960	1,008	2,376	2,497	2,619
Security and policing	348	271	276	209	359	281	335	352	369
Buses	11,074	9,225	12,743	15,422	15,422	14,600	16,760	17,675	18,605
Clinics	86	42	10	30	0	0	-	-	-
Museums & Art Galleries	23	42	5	36	36	6	-	-	-
Cemeteries	-	495	972	-	3,450	2,350	2,503	2,631	2,760
Social rental housing	16,994	14,394	5,647	15,827	15,827	15,092	23,421	24,615	25,821
Heritage assets	75,640	85,274	100,420	134,124	134,124	75,067	145,618	153,659	161,844
Other	75,640	85,274	100,420	134,124	134,124	75,067	145,618	153,659	161,844
Investment properties	9,278	18,777	22,401	26,272	26,272	25,572	26,410	28,523	30,804
Other	9,278	18,777	22,401	26,272	26,272	25,572	26,410	28,523	30,804
Other assets	152,230	260,625	193,002	238,675	245,716	217,170	253,029	266,497	280,155
General vehicles	54,372	70,877	70,750	100,740	101,271	94,954	100,392	105,965	111,639
Specialised vehicles	33,500	33,500	35,675	49,305	48,791	46,552	44,701	47,092	49,517
Computers - hardware/equipment	41,988	33,642	67,071	69,660	69,580	69,530	67,488	70,930	74,405
Furniture and other office equipment	20,916	121,424	16,641	17,773	20,304	14,623	16,088	16,908	17,737
Civic Land and Buildings	1,455	1,182	2,865	1,197	1,787	1,511	24,360	25,602	26,857
Total Repairs and Maintenance Expenditure	1,566,523	1,781,722	1,737,189	1,955,295	1,967,819	1,864,718	2,118,929	2,250,519	2,386,978
Specialised vehicles	33,500	33,500	35,675	49,305	48,791	46,552	44,701	47,092	49,517
Refuse	28,421	27,613	28,373	39,541	38,591	36,999	34,694	36,541	38,414
Fire	5,079	5,887	7,301	9,764	10,200	9,553	10,007	10,551	11,104
R&M as a % of PPE	3.4%	4.2%	4.1%	4.1%	4.1%	4.0%	4.4%	4.6%	4.8%
R&M as % Operating Expenditure	10.2%	10.0%	8.6%	8.7%	8.7%	8.6%	8.6%	8.5%	8.4%

Table 82 MBRR SA35 - Future financial implications of the capital budget

EKU Ekurhuleni Metro - Supporting Table SA35 Consolidated future financial implications of the capital budget							
Vote Description	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
R thousand							
Capital expenditure							
Vote 1 - Executive and Council	11,903	6,683	10,693	11,335	12,015	12,736	1,902
Vote 2 - Finance and Corporate Services	449,317	382,873	360,985	380,524	403,355	427,556	63,839
Vote 3 - Energy	353,751	526,150	650,760	689,806	731,194	775,066	115,726
Vote 4 - Water and Sanitation	418,700	431,717	389,850	571,181	605,452	641,779	95,825
Vote 5 - Waste Management	120,032	141,917	163,800	173,628	184,046	195,088	29,129
Vote 6 - Human Settlements	70,530	120,980	176,080	128,345	136,045	144,208	21,532
Vote 7 - City Planning	3,800	4,100	4,400	4,664	4,944	5,240	782
Vote 8 - Economic Development	68,520	52,570	62,240	65,974	69,933	74,129	11,068
Vote 9 - Disaster and Emergency Management Services	68,868	89,295	96,780	86,899	92,113	97,639	14,579
Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	167,550	91,400	83,911	76,320	80,899	85,753	12,804
Vote 11 - Health and Social Development	91,410	129,200	163,800	170,448	180,675	191,515	28,595
Vote 12 - Environmental Resource Management	83,688	91,020	147,545	85,378	90,500	95,930	14,323
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	51,135	55,150	56,035	59,397	62,961	66,739	9,965
Vote 14 - Transport Planning & Provisioning	373,634	371,993	317,048	336,070	356,235	377,609	56,381
Vote 15 - Roads and Stormwater	648,095	624,750	684,900	725,994	769,554	815,727	121,797
<i>List entity summary if applicable</i>							
Total Capital Expenditure	2,980,933	3,119,799	3,368,826	3,565,962	3,779,920	4,006,715	598,246
Future operational costs by vote							
Vote 1 - Executive and Council	-	-	-	-	-	-	-
Vote 2 - Finance and Corporate Services	169,116	177,572	186,451	195,773	205,562	215,840	32,792
Vote 3 - Energy	12,822	13,463	14,136	14,843	15,585	16,364	2,486
Vote 4 - Water and Sanitation	675	709	744	781	820	861	131
Vote 5 - Waste Management	35,970	38,848	41,955	45,312	48,937	52,852	7,626
Vote 6 - Human Settlements	313	320	326	332	339	346	55
Vote 7 - City Planning	395	403	411	419	428	436	70
Vote 8 - Economic Development	7,455	7,604	7,756	7,911	8,069	8,230	1,319
Vote 9 - Disaster and Emergency Management Services	35,386	37,155	39,013	40,964	43,012	45,162	6,861
Vote 10 - Sports, Recreation, Arts & Culture (SRAC)	43,525	45,701	47,986	50,385	52,905	55,550	8,440
Vote 11 - Health and Social Development	101,172	106,230	111,542	117,119	122,975	129,124	19,617
Vote 12 - Environmental Resource Management	30,201	31,711	33,296	34,961	36,709	38,545	5,856
Vote 13 - Ekurhuleni Metropolitan Police Department (EMPD)	23,751	24,939	26,185	27,495	28,869	30,313	4,605
Vote 14 - Transport Planning & Provisioning	60,650	66,715	73,387	80,725	88,798	97,677	13,629
Vote 15 - Roads and Stormwater	12,000	12,600	13,230	13,892	14,586	15,315	2,327
<i>List entity summary if applicable</i>							
Total future operational costs	533,431	563,969	596,419	630,913	667,594	706,617	105,815
Future revenue by source							
Property rates	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-
Service charges - electricity revenue	664	1,279	1,460	1,489	1,519	1,549	248
Service charges - water revenue	-	-	-	-	-	-	-
Service charges - sanitation revenue	4,000	4,300	3,944	4,023	4,103	4,185	671
Service charges - refuse revenue	48,600	52,002	55,642	59,537	63,705	68,164	10,004
Service charges - other	2,783	2,560	3,025	3,176	3,335	3,502	532
Rental of facilities and equipment	750	800	1,000	1,050	1,103	1,158	176
<i>List other revenues sources if applicable</i>							
<i>List entity summary if applicable</i>							
Total future revenue	56,797	60,941	65,071	69,275	73,765	78,558	11,631
Net Financial Implications	3,457,567	3,622,827	3,900,174	4,127,599	4,373,749	4,634,774	692,430

Table 83 MBRR SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code	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			2	6	3	3										
Parent municipality: List all capital projects grouped by Municipal Vote																
Chief Operating Officer	Office furniture			Yes	Other Assets	Office Equipment	200	-	90	50	30	30	Operational Equipment	Renewal of Existing Assets		
Chief Operating Officer	ICT Equipment			Yes	Other Assets	Office Equipment	220	-	90	50	40	40	Operational Equipment	Renewal of Existing Assets		
Chief Operating Officer	Other Equipment			Yes	Other Assets	Office Equipment	58	-	18	20	10	10	Operational Equipment	Renewal of Existing Assets		
Chief Operating Officer	EPWP Projects			Yes	Infrastructure	Other	5,924	-	5,924	-	-	-	Corporate	New		
City Manager	ICT Equipment			Yes	Other Assets	Office Equipment	538	68	80	200	100	80	Operational Equipment	Renewal of Existing Assets		
City Manager	Office Furniture			Yes	Other Assets	Office Furniture	653	3	270	200	100	80	Operational Equipment	Renewal of Existing Assets		
City Manager	Other Equipment			Yes	Other Assets	Office Equipment	98	-	18	40	20	20	Operational Equipment	Renewal of Existing Assets		
City Manager	Vehicles			Yes	Other Assets	Other Motor Vehicles	560	560	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
City Planning	ICT Equipment			Yes	Other Assets	Office Equipment	10,515	671	2,419	2,625	2,100	2,700	Operational Equipment	Renewal of Existing Assets		
City Planning	Vehicles			Yes	Other Assets	Other Motor Vehicles	1,013	413	200	200	200	200	Operational Equipment	Renewal of Existing Assets		
City Planning	Office Furniture			Yes	Other Assets	Office Equipment	1,738	261	477	560	150	300	Operational Equipment	Renewal of Existing Assets		
City Planning	Specialised Equipment			Yes	Other Assets	Plant & equipment	1,585	220	315	350	300	400	Operational Equipment	Renewal of Existing Assets		
City Planning	Other Equipment			Yes	Other Assets	Office Equipment	580	36	120	75	150	200	Operational Equipment	Renewal of Existing Assets		
City Planning	Operational Buildings - Security Control			Yes	Other Assets	Other Land and Buildings	28	-	-	-	-	-	Operational Equipment	New		
City Planning	Specialised Vehicles			Yes	Other Assets	Other Motor Vehicles	3,240	-	1,440	-	1,200	600	Operational Equipment	Renewal of Existing Assets		
Communications and Marketing	ICT Equipment			Yes	Other Assets	Office Equipment	569	29	90	160	140	160	Operational Equipment	Renewal of Existing Assets		
Communications and Marketing	Other Equipment			Yes	Other Assets	Office Equipment	367	18	99	80	100	70	Operational Equipment	Renewal of Existing Assets		
Communications and Marketing	Office Furniture			Yes	Other Assets	Office Equipment	234	9	45	50	50	50	Operational Equipment	Renewal of Existing Assets		
Communications and Marketing	Vehicles			Yes	Other Assets	Other Motor Vehicles	279	279	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
Communications and Marketing	Springs Flang System			Yes	Other Assets	Office Equipment	378	-	135	73	80	90	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Ward councilors accommodation			Yes	Other Assets	Other Land and Buildings	2,002	2,002	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Erif 588 Ring Road, New Redruth			Yes	Other Assets	Other Land and Buildings	387	387	-	-	-	-	Operational Equipment	New		
Corporate Legal Services	Erif 987 Ring Road, New Redruth			Yes	Other Assets	Other Land and Buildings	357	357	-	-	-	-	Operational Equipment	New		
Corporate Legal Services	Springs Flang System			Yes	Other Assets	Office Equipment	63	63	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Replace various air conditioners			Yes	Other Assets	Office Equipment	285	20	90	55	60	60	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Furniture for the Banquet hall @the Chamber Germ.			Yes	Other Assets	Office Equipment	2,624	484	450	530	560	560	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Realignement of Records Facility			Yes	Other Assets	Office Equipment	1,924	-	234	530	590	590	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Specialised Equipment			Yes	Other Assets	Plant & equipment	1,798	-	108	530	560	560	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Vehicles			Yes	Other Assets	Other Motor Vehicles	3,015	-	2,115	300	300	300	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	ICT equipment (separation of powers Legislature)			Yes	Other Assets	Office Equipment	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Hi-volume photocopiers (Agendas)			Yes	Other Assets	Office Equipment	7,008	1,383	855	1,760	1,500	1,500	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Departmental ICT Equipment			Yes	Other Assets	Office Equipment	333	95	59	65	60	65	Operational Equipment	Renewal of Existing Assets		
Corporate Legal Services	Departmental ICT Equipment			Yes	Other Assets	Office Equipment	5,338	433	1,305	1,200	1,200	1,200	Operational Equipment	Renewal of Existing Assets		
Council General	Gemstone Precinct Building			Yes	Other Assets	Other Land and Buildings	15,515	15,515	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
Council General	Upgrade of ECSC Building			Yes	Other Assets	Other Land and Buildings	872	872	-	-	-	-	Operational Equipment	New		
Council General	Operational Equipment			Yes	Other Assets	Office Equipment	5,900	-	900	5,000	-	-	Operational Equipment	Renewal of Existing Assets		
Council General	Provision for Bulk Infrastructure			Yes	Infrastructure	Other	11,700	-	11,700	-	-	-	Corporate	New		
Council General	ERP Phase 1			Yes	Infrastructure	Other	135,000	-	-	5,000	30,000	100,000	Corporate	Renewal of Existing Assets		
Customer Relations Management	ICT Equipment			Yes	Other Assets	Office Equipment	2,078	354	225	500	500	500	Operational Equipment	Renewal of Existing Assets		
Customer Relations Management	Office Furniture			Yes	Other Assets	Office Equipment	2,463	683	720	360	350	350	Operational Equipment	Renewal of Existing Assets		
Customer Relations Management	Other Equipment			Yes	Other Assets	Office Equipment	58	58	-	-	-	-	Operational Equipment	Renewal of Existing Assets		
Customer Relations Management	CCA Brownfields Upgrades			Yes	Other Assets	Other Land and Buildings	32,950	-	10,350	18,000	4,600	-	Corporate	Renewal of Existing Assets		
Customer Relations Management	Daveyton Building Upgrade			Yes	Other Assets	Other Land and Buildings	10,577	537	540	5,600	4,000	-	Daveyton	Renewal of Existing Assets		
Customer Relations Management	Ekwaiva New building			Yes	Other Assets	Other Land and Buildings	5,741	3,671	2,070	5,000	-	-	Ekwaiva	New		
Customer Relations Management	Dudulza Building Upgrade			Yes	Other Assets	Other Land and Buildings	5,982	3,642	2,340	-	-	-	Dudulza	Renewal of Existing Assets		
Customer Relations Management	Kaibong Building Upgrade			Yes	Other Assets	Other Land and Buildings	8,041	4,351	3,690	-	-	-	Kaibong	Renewal of Existing Assets		

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget																
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	2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16	Ward location	New or renewal		
R thousand			2	6	3	3										
Customer Relations Management	Kalahong 2 New Building			Yes	Other Assets	Other Land and Buildings	3,148	3,148	-	-	-	-	-	-	Kalahong	Renewal of Existing Assets
Customer Relations Management	Kwa-Thema New Building			Yes	Other Assets	Other Land and Buildings	2,788	2,788	-	-	-	-	-	-	Kwa-Thema	Renewal of Existing Assets
Customer Relations Management	Nigel Building Upgrade			Yes	Other Assets	Other Land and Buildings	13,365	695	7,000	4,500	-	-	-	-	Nigel	Renewal of Existing Assets
Customer Relations Management	Temba Building Upgrade			Yes	Other Assets	Other Land and Buildings	14,220	36	6,143	7,500	-	-	-	-	Temba	Renewal of Existing Assets
Customer Relations Management	Temba 2/ Winde Mandela New Building			Yes	Other Assets	Other Land and Buildings	22,850	-	1,350	10,000	11,500	-	-	-	Temba 2	New
Customer Relations Management	Thokoza New Building			Yes	Other Assets	Other Land and Buildings	2,711	2,711	-	-	-	-	-	-	Thokoza	Renewal of Existing Assets
Customer Relations Management	Tsakane New Building			Yes	Other Assets	Other Land and Buildings	2,786	2,786	-	-	-	-	-	-	Tsakane	Renewal of Existing Assets
Customer Relations Management	Vosloorus Building Upgrade			Yes	Other Assets	Other Land and Buildings	3,920	270	2,800	760	-	-	-	-	Vosloorus	Renewal of Existing Assets
Customer Relations Management	Unified Command Centre			Yes	Infrastructure	Other	40,000	-	15,000	10,000	15,000	-	-	-	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services	Rehabilitation of DMC Premises / facilities			Yes	Other Assets	Other Land and Buildings	539	359	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services	DM Satellite Offices in Tsakane			Yes	Other Assets	Other Land and Buildings	466	466	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services	Operational Buildings - Security Control			Yes	Other Assets	Other Land and Buildings	12	12	-	-	-	-	-	-	Operational Equipment	New
Disaster & Emergency Management Services	Specialized Equipment (DMC)			Yes	Other Assets	Plant & equipment	2,170	58	1,300,000	222	500	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Other Equipment (DMC)			Yes	Other Assets	Office Equipment	757	73	200,000	200	200	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	ICT Equipment (DMC)			Yes	Other Assets	Office Equipment	2,495	254	1,000,000	300	500	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Vehicles (DMC)			Yes	Other Assets	Other Motor Vehicles	2,739	122	500,000	1,000	1,000	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Office Furniture (DMC)			Yes	Other Assets	Plant & equipment	588	98	250	100	50	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Emergency Vehicle Navigation and Dispatching System			Yes	Other Assets	Plant & equipment	1,585	275	-	440	600	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Const Fire Station/House Kwa-Thema			Yes	Other Assets	Other Land and Buildings	10,042	-	288	9,754	-	-	-	-	Kwa-Thema	New
Disaster & Emergency Management Services	Const Fire Station/House Kwa-Thema			Yes	Other Assets	Other Land and Buildings	10,906	806	-	-	-	-	-	-	Kwa-Thema	New
Disaster & Emergency Management Services	Const Fire Station/House Tsakane			Yes	Other Assets	Other Land and Buildings	8,775	8,775	-	-	-	-	-	-	Tsakane	New
Disaster & Emergency Management Services	Establishment DMC Regional Office			Yes	Other Assets	Other Land and Buildings	2,333	2,063	-	-	-	-	-	-	Kempton Park	New
Disaster & Emergency Management Services	Const Fire Station/House Zonkhezwane			Yes	Other Assets	Other Land and Buildings	16,940	-	11,340	5,600	-	-	-	-	Kalahong 2	New
Disaster & Emergency Management Services	Const Fire Station/House Zonkhezwane			Yes	Other Assets	Other Land and Buildings	4,977	4,977	-	-	-	-	-	-	Kalahong 2	New
Disaster & Emergency Management Services	Const Fire Station/House Duduza			Yes	Other Assets	Other Land and Buildings	21,876	4,976	5,200,000	-	-	-	-	-	Duduza	New
Disaster & Emergency Management Services	Vehicles (ES)			Yes	Other Assets	Other Motor Vehicles	9,884	1,924	2,000,000	1,800	2,000	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Specialized Equipment (ES)			Yes	Other Assets	Plant & equipment	8,261	301	2,160	2,000,000	1,800	2,000	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Other Equipment (EMS)			Yes	Other Assets	Office Equipment	4,165	65	540	1,405,000	965	1,200	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	ICT Equipment (EMS)			Yes	Other Assets	Office Equipment	1,814	494	270	350,080	300	400	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Office Furniture (EMS)			Yes	Other Assets	Office Equipment	1,423	288	225	300	200	400	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Rehabilitation Community Safety HQ			Yes	Other Assets	Other Land and Buildings	3,240	245	2,500,000	200	250	-	-	-	Edevalle	Renewal of Existing Assets
Disaster & Emergency Management Services	Other Equipment Support Services			Yes	Other Assets	Office Equipment	236	-	28,160	8	200	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	ICT Equipment Support Services			Yes	Other Assets	Office Equipment	205	-	100	30	50	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Specialized Equipment (SS)			Yes	Other Assets	Plant & equipment	-	-	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Office Furniture Support Services			Yes	Other Assets	Office Equipment	200	-	80	40	80	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Specialized Vehicles (DMC)			Yes	Other Assets	Other Motor Vehicles	1,009	1,009	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Specialized Vehicles (ES)			Yes	Other Assets	Other Motor Vehicles	128,554	13,999	24,000	24,555	30,000	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Specialized Vehicles (ES)			Yes	Other Assets	Other Motor Vehicles	18,900	-	18,900	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Disaster & Emergency Management Services	Refurb of All Metro Fire Stations/House			Yes	Other Assets	Other Land and Buildings	8,847	854	2,000,000	2,000	2,000	-	-	-	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrade all Repeater Sites Phase 1			Yes	Other Assets	Other	2,826	506	500,000	300	300	-	-	-	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services	Two way Radio Communication Equipment			Yes	Other Assets	Other	11,873	4,959	3,914	1,000	1,500	500	-	-	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services	Establish Radio Technical Workshop			Yes	Other Assets	Other Land and Buildings	1,000	-	1,300,000	1,000	1,000	-	-	-	Kempton Park	Renewal of Existing Assets
Disaster & Emergency Management Services	Upgrade Communication Switch to include Dispatching Operator Consoles			Yes	Other Assets	Plant & equipment	2,300	-	3,000	20,000	20,000	-	-	-	Gemston	New
Disaster & Emergency Management Services	Const Fire Station/House Gemston Central			Yes	Other Assets	Other Land and Buildings	23,900	-	900	1,000	17,000	-	-	-	Gemston	New
Disaster & Emergency Management Services	Const Fire Station/House Albertina Sbulu Corridor			Yes	Other Assets	Other Land and Buildings	18,000	-	-	13,000	13,000	-	-	-	Thokoza	New
Disaster & Emergency Management Services	Const Fire Station/House Thokoza			Yes	Other Assets	Other Land and Buildings	28,000	-	2,000,000	2,000	7,345	19,000	-	-	Gemston	Renewal of Existing Assets
Disaster & Emergency Management Services	Establishment of Corporate Disaster Management Centre			Yes	Other Assets	Other Land and Buildings	28,345	-	500	-	-	-	-	-	Edevalle	Renewal of Existing Assets
Disaster & Emergency Management Services	Emergency Services Permit Office			Yes	Other Assets	Other Land and Buildings	500	-	-	-	-	-	-	-	Edevalle	New
Disaster & Emergency Management Services	Kalahong Fire Station			Yes	Other Assets	Other Land and Buildings	1,550	-	-	-	-	-	-	-	Kalahong	New
Disaster & Emergency Management Services	Emergency Services Training Academy			Yes	Other Assets	Other Land and Buildings	-	-	-	-	-	-	-	-	Edevalle	Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA38 Consolidated detailed capital budget															
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 2014/15	Budget Year 2015/16	Ward location	New or renewal	
R thousand				6		3	3								
Disaster & Emergency Management Services	Restoration of Gemiston Fire Station			Yes	Other Assets	Other Land and Buildings	4,000	-	-	-	-	4,000	-	Gemiston	Renewal of Existing Assets
Economic Development	Upgrade to Economic Infrastructure		Yes	Yes	Infrastructure	Other	28,253	14,753	13,500	-	-	-	-	Corporate	New
Economic Development	Trading Stalls		Yes	Yes	Infrastructure	Other	15,000	-	4,000	5,000	6,000	6,000	6,000	Corporate	New
Economic Development	Township enterprise Hubs		Yes	Yes	Infrastructure	Other	29,200	-	11,000	8,200	10,000	10,000	10,000	Corporate	New
Economic Development	Industrial Parks & Community Agric Projects		Yes	Yes	Infrastructure	Other	15,748	8,998	6,750	-	-	-	-	Corporate	New
Economic Development	Township Industrial Parks		Yes	Yes	Infrastructure	Other	16,500	-	2,500	6,000	8,000	8,000	8,000	Corporate	New
Economic Development	Community Agric Projects		Yes	Yes	Infrastructure	Other	13,000	-	5,000	3,000	5,000	5,000	5,000	Corporate	New
Economic Development	Tamboesfontein Infrastructure		Yes	Yes	Infrastructure	Other	4,876	1,726	3,150	-	-	-	-	Gemiston	New
Economic Development	Implementation Poultry Project		Yes	Yes	Infrastructure	Other	1,730	200	1,530	-	-	-	-	Tembisa	New
Economic Development	Tembisa Township Hub		Yes	Yes	Infrastructure	Other	1,350	1,350	-	-	-	-	-	Tembisa	New
Economic Development	Thokozwa Fabrication Laboratory		Yes	Yes	Infrastructure	Other	15,700	700	5,000	5,000	5,000	5,000	5,000	Tokozwa	New
Economic Development	Recycling - Buy Back Centre		Yes	Yes	Infrastructure	Other	476	261	215	-	-	-	-	Tembisa	New
Economic Development	Shared Industrial Production Facilities in Tembisa & Thokozwa		Yes	Yes	Infrastructure	Other	6,826	106	3,370	2,350	-	-	-	Tembisa 2	New
Economic Development	Office Furniture		Yes	Yes	Other Assets	Office Equipment	508	220	108	120	120	60	60	Operational Equipment	Renewal of Existing Assets
Economic Development	Other Equipment		Yes	Yes	Other Assets	Office Equipment	329	28	1	120	100	80	80	Operational Equipment	Renewal of Existing Assets
Economic Development	ICT Equipment		Yes	Yes	Other Assets	Office Equipment	688	37	152	250	150	100	100	Operational Equipment	Renewal of Existing Assets
Economic Development	Township Economies Development		Yes	Yes	Infrastructure	Other	25,800	-	5,800	10,000	10,000	10,000	10,000	Corporate	New
Economic Development	Fencing Wholesale Centre		Yes	Yes	Other Assets	Markets	180	-	180	-	-	-	-	Springs	New
Economic Development	Refurbishment of Fresh Produce Market		Yes	Yes	Other Assets	Markets	57,925	4,125	10,800	15,000	13,000	15,000	15,000	Springs	New
Economic Development	CCTV/System		Yes	Yes	Other Assets	Markets	225	-	225	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Economic Development	Specialized Equipment		Yes	Yes	Other Assets	Planr. & equipment	4,735	-	360	1,875	1,000	1,500	1,500	Operational Equipment	Renewal of Existing Assets
Economic Development	ICT Equipment		Yes	Yes	Other Assets	Office Equipment	70	34	36	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Economic Development	Office Furniture		Yes	Yes	Other Assets	Office Equipment	17	10	7	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Economic Development	Replacement of Vehicle		Yes	Yes	Other Assets	Other Motor Vehicles	-	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Economic Development	Tourism Route Signage		Yes	Yes	Infrastructure	Other	13,987	2,887	3,600	5,000	1,000	1,500	1,500	Corporate	Renewal of Existing Assets
Economic Development	Other Equipment (Tourism)		Yes	Yes	Other Assets	Office Equipment	36	36	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Economic Development	Business Advisory Centre		Yes	Yes	Infrastructure	Other	1,800	-	1,800	-	-	-	-	Corporate	New
Economic Development	Business Place		Yes	Yes	Infrastructure	Other	-	-	-	-	-	-	-	Corporate	New
Economic Development	EPMP Projects		Yes	Yes	Infrastructure	Other	10,405	-	10,405	-	-	-	-	Corporate	New
EMPD	Installation and upgrading of Security Systems in EMM		Yes	Yes	Other Assets	Security Measures	22,500	-	4,500	6,000	6,000	6,000	6,000	Operational Equipment	Renewal of Existing Assets
EMPD	Const.Precinct Stations Zonkezwane		Yes	Yes	Other Assets	Other Land and Buildings	10,830	-	5,130	5,700	-	-	-	Kaleshong 2	New
EMPD	Specialized Vehicles (EMPD)		Yes	Yes	Other Assets	Other Land and Buildings	2,518	2,518	-	-	-	-	-	Kaleshong 2	New
EMPD	Specialized Vehicles (EMPD)		Yes	Yes	Other Assets	Other Motor Vehicles	4,980	-	1,080	1,200	1,500	1,200	1,200	Operational Equipment	Renewal of Existing Assets
EMPD	Specialized Vehicles (EMPD)		Yes	Yes	Other Assets	Other Motor Vehicles	841	841	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
EMPD	Specialized Equipment (EMPD)		Yes	Yes	Other Assets	Planr. & equipment	15,700	-	2,700	5,000	4,000	4,000	4,000	Operational Equipment	Renewal of Existing Assets
EMPD	Specialized Equipment (EMPD)		Yes	Yes	Other Assets	Planr. & equipment	2,385	2,385	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
EMPD	Vehicles (EMPD)		Yes	Yes	Other Assets	Other Motor Vehicles	81,100	-	26,100	15,000	20,000	20,000	20,000	Operational Equipment	Renewal of Existing Assets
EMPD	Vehicles (EMPD)		Yes	Yes	Other Assets	Other Motor Vehicles	10,858	-	10,858	-	-	-	-	Operational Equipment	Renewal of Existing Assets
EMPD	Other Equipment (EMPD)		Yes	Yes	Other Assets	Office Equipment	2,060	-	180	595	590	685	685	Operational Equipment	Renewal of Existing Assets
EMPD	Other Equipment (EMPD)		Yes	Yes	Other Assets	Office Equipment	325	325	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
EMPD	Office Furniture (EMPD)		Yes	Yes	Other Assets	Office Equipment	1,690	-	90	1,000	300	300	300	Operational Equipment	Renewal of Existing Assets
EMPD	Office Furniture (EMPD)		Yes	Yes	Other Assets	Office Equipment	69	39	30	-	-	-	-	Operational Equipment	Renewal of Existing Assets
EMPD	ICT Equipment (EMPD)		Yes	Yes	Other Assets	Office Equipment	3,340	-	540	1,000	600	1,200	1,200	Operational Equipment	Renewal of Existing Assets
EMPD	ICT Equipment (EMPD)		Yes	Yes	Other Assets	Office Equipment	623	623	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
EMPD	Office Furniture (Denim)		Yes	Yes	Other Assets	Office Equipment	39	39	-	-	-	-	-	Operational Equipment	New
EMPD	Other Equipment (Denim)		Yes	Yes	Other Assets	Office Equipment	5	5	-	-	-	-	-	Operational Equipment	New
EMPD	Refurbishment All EMPD facilities		Yes	Yes	Other Assets	Other Land and Buildings	2,198	2,198	2,250	2,040	2,040	2,040	2,040	Corporate	Renewal of Existing Assets
EMPD	Establishment of Equestrian Unit		Yes	Yes	Other Assets	Other Land and Buildings	731	51	360	100	120	100	100	Kempton Park	Renewal of Existing Assets
EMPD	Training Academy Kwa-Thema		Yes	Yes	Other Assets	Other Land and Buildings	957	507	450	-	-	-	-	Kwa-Thema	Renewal of Existing Assets
EMPD	Const.Precinct Stations Tokozwa		Yes	Yes	Other Assets	Other Land and Buildings	10,620	-	1,620	9,000	-	-	-	Tokozwa	New

Municipal Vote/Capital project		Ekuhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget														
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	
EMPD		Construct of Precinct Station Elwalwa			Yes	Other Assets	Other Land and Buildings	6,925	–	–	–	–	–	–	Elwalwa	New
EMPD		Refurbishment of EMPD Headquarters			Yes	Other Assets	Other Land and Buildings	6,800	1,800	1,000	3,000	1,000	1,000	1,000	Kempson Park	Renewal of Existing Assets
EMPD		Const EMPD Specialised Unit Offices			Yes	Other Assets	Other Land and Buildings	270	–	270	–	–	–	–	Edenvale	New
EMPD		Const Precinct Edleen			Yes	Other Assets	Other Land and Buildings	180	–	180	–	–	–	–	Kempson Park	New
EMPD		Const K3 Unit			Yes	Other Assets	Other Land and Buildings	500	–	–	–	–	–	–	Boksburg	New
EMPD		Const Tembisa Precinct			Yes	Other Assets	Other Land and Buildings	12,500	–	500	6,000	6,000	6,000	6,000	Tembisa	New
EMPD		Const Beroni Precinct			Yes	Other Assets	Other Land and Buildings	12,500	–	–	–	–	–	–	Beroni	New
EMPD		Const Kempson Park Precinct			Yes	Other Assets	Other Land and Buildings	12,500	–	500	6,000	6,000	6,000	6,000	Kempson Park	New
EMPD		Refurbishment Tembisa regional office			Yes	Other Assets	Other Land and Buildings	4,500	–	500	2,000	2,000	2,000	2,000	Tembisa	Renewal of Existing Assets
EMPD		Refurbishment Logistics section			Yes	Other Assets	Other Land and Buildings	6,000	–	1,000	2,000	3,000	3,000	3,000	Kempson Park	Renewal of Existing Assets
EMPD		Refurbishment Boksburg Pound office			Yes	Other Assets	Other Land and Buildings	1,000	–	–	–	–	–	–	Boksburg	Renewal of Existing Assets
EMPD		Refurbishment Brakpan Pound office			Yes	Other Assets	Other Land and Buildings	3,000	–	1,000	1,000	1,000	1,000	1,000	Brakpan	Renewal of Existing Assets
EMPD		Installation and upgrading of Security Systems in EMM			Yes	Other Assets	Other Land and Buildings	4,706	1,856	–	–	–	–	–	Corporate	Renewal of Existing Assets
Disaster & Emergency Management Services		Alberion Network enhancement			Yes	Infrastructure	Electricity Reticulation	15,389	2,700	2,500	4,000	5,000	5,000	5,000	Alberion	Renewal of Existing Assets
Energy		Alberion Lighting			Yes	Infrastructure	Lighting	3,663	663	450	700	850	1,000	1,000	Alberion	New
Energy		Alberion Revenue enhancement			Yes	Infrastructure	Electricity Reticulation	6,856	1,006	900	1,300	1,650	2,000	2,000	Alberion	Renewal of Existing Assets
Energy		Beroni Network enhancement			Yes	Infrastructure	Electricity Reticulation	18,124	2,524	3,600	4,000	5,000	5,000	5,000	Beroni	Renewal of Existing Assets
Energy		Beroni Substation			Yes	Infrastructure	Electricity Reticulation	418	–	–	–	–	–	–	Beroni	New
Energy		Beroni Lighting			Yes	Infrastructure	Lighting	3,924	924	450	700	850	1,000	1,000	Beroni	New
Energy		Beroni Revenue enhancement			Yes	Infrastructure	Electricity Reticulation	8,325	2,475	900	1,300	1,650	2,000	2,000	Beroni	New
Energy		Boksburg Network enhancement			Yes	Infrastructure	Electricity Reticulation	18,475	2,875	3,600	4,000	5,000	5,000	5,000	Boksburg	Renewal of Existing Assets
Energy		Boksburg Network enhancement			Yes	Infrastructure	Electricity Reticulation	2,021	–	–	–	–	–	–	Boksburg	New
Energy		Boksburg Substation			Yes	Infrastructure	Electricity Reticulation	586	–	–	–	–	–	–	Boksburg	New
Energy		Boksburg Lighting			Yes	Infrastructure	Lighting	4,926	1,926	450	700	850	1,000	1,000	Boksburg	New
Energy		Boksburg Revenue enhancement			Yes	Infrastructure	Electricity Reticulation	8,031	2,181	900	1,300	1,650	2,000	2,000	Boksburg	New
Energy		Brakpan Network enhancement			Yes	Infrastructure	Electricity Reticulation	15,600	–	3,600	4,000	5,000	5,000	5,000	Brakpan	Renewal of Existing Assets
Energy		Brakpan Network enhancement			Yes	Infrastructure	Electricity Reticulation	2,512	–	–	–	–	–	–	Brakpan	Renewal of Existing Assets
Energy		Brakpan substation			Yes	Infrastructure	Electricity Reticulation	1,031	–	–	–	–	–	–	Brakpan	New
Energy		Brakpan Lighting			Yes	Infrastructure	Lighting	4,493	1,493	450	700	850	1,000	1,000	Brakpan	New
Energy		Brakpan Revenue enhancement			Yes	Infrastructure	Electricity Reticulation	7,318	1,468	900	1,300	1,650	2,000	2,000	Brakpan	Renewal of Existing Assets
Energy		Corporate Lighting			Yes	Infrastructure	Lighting	22,800	–	4,500	2,300	6,000	10,000	10,000	Corporate	New
Energy		Corporate Revenue enhancement			Yes	Infrastructure	Electricity Reticulation	81,762	5,062	13,500	8,200	25,000	30,000	30,000	Corporate	New
Energy		Daveyton Network enhancement			Yes	Infrastructure	Electricity Reticulation	13,700	–	2,700	2,000	4,000	5,000	5,000	Daveyton	Renewal of Existing Assets
Energy		Daveyton Network enhancement			Yes	Infrastructure	Electricity Reticulation	7	7	–	–	–	–	–	Daveyton	Renewal of Existing Assets
Energy		Corporate Electrification			Yes	Infrastructure	Electricity Reticulation	433,713	72,258	59,324	82,131	100,000	120,000	120,000	Corporate	Renewal of Existing Assets
Energy		Edenvale Network enhancement			Yes	Infrastructure	Electricity Reticulation	15,600	–	3,600	4,000	5,000	5,000	5,000	Edenvale	Renewal of Existing Assets
Energy		Edenvale Network enhancement			Yes	Infrastructure	Electricity Reticulation	4,644	4,644	–	–	–	–	–	Edenvale	Renewal of Existing Assets
Energy		Edenvale Substation			Yes	Infrastructure	Electricity Reticulation	1,492	–	–	–	–	–	–	Edenvale	New
Energy		Corporate Electrification INEP			Yes	Infrastructure	Electricity Reticulation	299,783	89,083	65,700	10,000	50,000	70,000	70,000	Corporate	Renewal of Existing Assets
Energy		Corporate vehicles			Yes	Other Assets	Other Motor Vehicles	69,486	12,786	11,700	15,000	15,000	15,000	15,000	Operational Equipment	Renewal of Existing Assets
Energy		Corporate Specialised equipment			Yes	Other Assets	Plant & equipment	3,398	2,250	3,000	3,000	3,000	3,000	3,000	Operational Equipment	Renewal of Existing Assets
Energy		Corporate ICT furniture			Yes	Other Assets	Office Equipment	7,192	1,512	1,080	1,400	1,600	1,600	1,600	Operational Equipment	Renewal of Existing Assets
Energy		Corporate Office furniture			Yes	Other Assets	Office Equipment	5,246	186	960	1,200	1,400	1,500	1,500	Operational Equipment	Renewal of Existing Assets
Energy		Corporate other equipment			Yes	Other Assets	Office Equipment	583	72	91	120	150	150	150	Operational Equipment	Renewal of Existing Assets
Energy		Corporate other operational requirement			Yes	Other Assets	Office Equipment	318	–	–	–	–	–	–	Operational Equipment	Renewal of Existing Assets
Energy		Daveyton Lighting			Yes	Infrastructure	Lighting	6,471	1,811	810	1,100	1,250	1,500	1,500	Daveyton	New
Energy		Duizua Lighting			Yes	Infrastructure	Lighting	6,774	2,114	810	1,100	1,250	1,500	1,500	Duizua	New
Energy		Edenvale Lighting			Yes	Infrastructure	Lighting	3,700	700	450	700	850	1,000	1,000	Edenvale	New
Energy		Edenvale Revenue enhancement			Yes	Infrastructure	Electricity Reticulation	7,695	1,845	900	1,300	1,650	2,000	2,000	Edenvale	Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget															
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			2	6	3	3	3								
Energy	Kwa- Thema Network enhancement			Yes	Infrastructure	Electricity Retiulation	13,700	2,700	3,000	3,000	5,000	Kwa- Thema	Renewal of Existing Assets		
Energy	Etiwaiva Lighting			Yes	Infrastructure	Lighting	6,341	810	1,100	1,250	1,500	Etiwaiva	New		
Energy	Etiwaiva Network enhancement			Yes	Infrastructure	Electricity Retiulation	5	5	-	-	-	Etiwaiva	Renewal of Existing Assets		
Energy	Gemission Lighting			Yes	Infrastructure	Lighting	3,553	450	700	850	1,000	Gemission	New		
Energy	Gemission Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	9,357	900	1,300	1,650	2,000	Gemission	New		
Energy	Kaahlong Lighting			Yes	Infrastructure	Lighting	6,357	1,707	1,100	1,250	1,500	Kaahlong	New		
Energy	Kempton Park Lighting			Yes	Infrastructure	Lighting	3,710	450	700	850	1,000	Kempton park	New		
Energy	Kempton Park Substation			Yes	Infrastructure	Electricity Retiulation	2,108	2,108	-	-	-	Kempton park	New		
Energy	Kempton Park Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	7,350	1,500	1,300	1,650	2,000	Kempton Park	New		
Energy	Tembisa Network enhancement			Yes	Infrastructure	Electricity Retiulation	12,930	2,430	2,500	3,000	5,000	Tembisa	Renewal of Existing Assets		
Energy	Tembisa Network enhancement			Yes	Infrastructure	Electricity Retiulation	1,020	-	-	-	-	Tembisa	Renewal of Existing Assets		
Energy	Tembisa Substation			Yes	Infrastructure	Electricity Retiulation	988	988	-	-	-	Tembisa	New		
Energy	Kwa- Thema Network enhancement			Yes	Infrastructure	Electricity Retiulation	1,476	-	-	-	-	Kwa- Thema	Renewal of Existing Assets		
Energy	Kwa- Thema Lighting			Yes	Infrastructure	Lighting	7,519	2,859	1,100	1,250	1,500	Kwa- Thema	New		
Energy	Kwa- Thema Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	7,710	1,850	1,300	1,650	2,000	Kwa- Thema	New		
Energy	Kwa- Thema Substations			Yes	Infrastructure	Electricity Retiulation	1,350	-	-	-	-	Kwa- Thema	New		
Energy	Nigel Lighting			Yes	Infrastructure	Lighting	4,049	450	700	850	1,000	Nigel	New		
Energy	Nigel Substations			Yes	Infrastructure	Electricity Retiulation	1,552	1,552	-	-	-	Nigel	New		
Energy	Nigel Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	7,015	900	1,300	1,650	2,000	Nigel	New		
Energy	Corporate Network enhancement			Yes	Infrastructure	Electricity Retiulation	20,895	9,995	2,000	3,000	5,000	Corporate	Renewal of Existing Assets		
Energy	Springs Lighting			Yes	Infrastructure	Lighting	4,201	450	700	850	1,000	Springs	New		
Energy	Springs Substation			Yes	Infrastructure	Electricity Retiulation	306	306	-	-	-	Springs	New		
Energy	Springs Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	8,433	2,583	1,300	1,650	2,000	Springs	New		
Energy	Gemission Network enhancement			Yes	Infrastructure	Electricity Retiulation	53,901	10,101	9,000	10,800	15,000	Gemission	Renewal of Existing Assets		
Energy	Kempton Park Network enhancement			Yes	Infrastructure	Electricity Retiulation	40,825	3,625	8,000	10,000	12,000	Kempton Park	Renewal of Existing Assets		
Energy	Nigel Network enhancement			Yes	Infrastructure	Electricity Retiulation	14,252	2,452	1,800	2,000	3,000	Nigel	Renewal of Existing Assets		
Energy	Tembisa Lighting			Yes	Infrastructure	Lighting	6,319	1,659	810	1,100	1,250	Tembisa	New		
Energy	Tembisa Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	7,876	2,026	900	1,300	1,650	Tembisa	New		
Energy	Springs Network enhancement			Yes	Infrastructure	Electricity Retiulation	15,094	2,494	3,600	4,000	5,000	Springs	Renewal of Existing Assets		
Energy	Tembisa 2 Lighting			Yes	Infrastructure	Lighting	7,156	1,686	1,100	1,250	1,500	Tembisa 2	New		
Energy	Tembisa 2 Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	7,976	2,126	900	1,300	1,650	Tembisa 2	New		
Energy	Tembisa 2 Network enhancement			Yes	Infrastructure	Electricity Retiulation	14,951	1,521	2,430	3,000	5,000	Tembisa 2	Renewal of Existing Assets		
Energy	Thokoza Network enhancement			Yes	Infrastructure	Electricity Retiulation	17,168	1,568	3,600	4,000	5,000	Thokoza	Renewal of Existing Assets		
Energy	High mast Lighting Thokoza			Yes	Infrastructure	Lighting	26	26	-	-	-	Thokoza	New		
Energy	Thokoza Lighting			Yes	Infrastructure	Lighting	5,683	1,023	810	1,100	1,250	Thokoza	New		
Energy	Thokoza Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	6,873	1,023	900	1,300	1,650	Thokoza	New		
Energy	Tsalane Network enhancement			Yes	Infrastructure	Electricity Retiulation	11,800	-	1,800	2,000	3,000	Tsalane	Renewal of Existing Assets		
Energy	Vosloorus Network enhancement			Yes	Infrastructure	Electricity Retiulation	2,300	-	500	800	1,000	Vosloorus	Renewal of Existing Assets		
Energy	Tsalane Lighting			Yes	Infrastructure	Lighting	5,577	3,917	810	1,100	1,250	Tsalane	New		
Energy	Corporate Substations Upgrade			Yes	Infrastructure	Electricity Retiulation	310,630	-	30,630	100,000	80,000	Corporate	Renewal of Existing Assets		
Energy	Vosloorus Lighting			Yes	Infrastructure	Lighting	6,033	1,373	810	1,100	1,250	Vosloorus	New		
Energy	Vosloorus Revenue enhancement			Yes	Infrastructure	Electricity Retiulation	4,191	683	1,008	800	1,000	Vosloorus	New		
Energy	Corporate Substations			Yes	Infrastructure	Electricity Retiulation	225,075	12,231	36,844	-	-	Corporate	New		
Energy	Corporate Substations (MIG)			Yes	Infrastructure	Electricity Retiulation	21,339	21,339	-	-	-	Corporate	New		
Energy	Corporate Energy efficiency			Yes	Infrastructure	Electricity Retiulation	88,914	10,800	11,000	10,000	10,000	Corporate	Renewal of Existing Assets		
Energy	Langaville Electricity Network Resubstation			Yes	Infrastructure	Electricity Retiulation	87,000	27,000	20,000	20,000	20,000	Kwa- Thema	New		
Energy	Renewable Energy Projects			Yes	Infrastructure	Electricity Retiulation	63,500	-	13,500	10,000	20,000	Corporate	New		
Environmental Resources Management	Office Furniture			Yes	Other Assets	Office Equipment	437	77	120	120	120	Operational Equipment	Renewal of Existing Assets		
Environmental Resources Management	Office Furniture			Yes	Other Assets	Office Equipment	220	45	76	50	50	Operational Equipment	Renewal of Existing Assets		
Environmental Resources Management	Software: Cemetery management system			Yes	Other Assets	Other	2,162	182	1,000	800	-	Corporate	Renewal of Existing Assets		

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

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 Expenditure Framework			Project Information		
R thousand	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		
		Payneville Ex3 rehabilitation		2	Yes	Community	Other	5,950	—	450	2,000	3,500	—	—	—	Renewal of Existing Assets
		Development and Upgrading Community Environmental Education Centres: Blesbok			Yes	Community	Other	—	816	—	—	—	—	—	—	Renewal of Existing Assets
		Development and Upgrading Community Environmental Education Centres			Yes	Community	Other	816	—	—	—	—	—	—	—	Renewal of Existing Assets
		Upgrade of Civic Centre: Germiston Grounds			Yes	Community	Establishment of Parks & Gardens	315	315	1,890	1,000	3,000	—	—	—	Renewal of Existing Assets
		Rehabilitation of the Boksburg Lake			Yes	Community	Other	8,802	2,112	1,890	1,000	3,000	—	—	—	Renewal of Existing Assets
		Rehabilitation of the Braipan Dam			Yes	Community	Other	948	948	—	—	—	—	—	—	Renewal of Existing Assets
		Development and Upgrading Community Environmental Education Centres: Leoup			Yes	Community	Other	900	—	900	—	—	—	—	—	Renewal of Existing Assets
		Development and Upgrading Community Environmental Education Centres: Sluim			Yes	Community	Other Land and Buildings	1,500	—	—	500	500	—	—	—	Renewal of Existing Assets
		Rehabilitation of the Naatspruit Catchment			Yes	Community	Other	6,200	—	900	1,300	2,000	2,000	—	—	Renewal of Existing Assets
		Rehabilitation of the Naatspruit Catchment			Yes	Community	Other	374	374	—	—	—	—	—	—	Renewal of Existing Assets
		Rehabilitation: Degraded Wetlands/ Catchment			Yes	Other Assets	Other	7,313	—	2,395	1,428	2,000	1,500	—	—	Renewal of Existing Assets
		Rehabilitation: Degraded Wetlands/ Catchment			Yes	Other Assets	Other	1,813	1,813	—	—	—	—	—	—	Renewal of Existing Assets
		Other Equipment			Yes	Other Assets	Office Equipment	435	223	62	50	50	—	—	—	Operational Equipment
		ICT Equipment			Yes	Other Assets	Office Equipment	385	98	86	75	75	—	—	—	Operational Equipment
		ICT Equipment			Yes	Other Assets	Office Equipment	246	246	90	150	150	—	—	—	Operational Equipment
		Other Equipment			Yes	Other Assets	Office Equipment	517	45	72	150	150	—	—	—	Operational Equipment
		Vehicles			Yes	Other Assets	Other Motor Vehicles	3,425	—	225	700	1,500	1,000	—	—	Operational Equipment
		Specialised Equipment			Yes	Other Assets	Plant & equipment	1,498	—	198	300	500	500	—	—	Operational Equipment
		ICT Equipment			Yes	Other Assets	Office Equipment	1,500	—	900	200	200	—	—	—	Operational Equipment
		Furniture			Yes	Other Assets	Office Equipment	753	—	153	200	200	—	—	—	Operational Equipment
		Office Furniture			Yes	Other Assets	Office Equipment	98	98	—	—	—	—	—	—	Operational Equipment
		Operational Buildings - Airconditioners			Yes	Other Assets	Office Equipment	30	30	—	—	—	—	—	—	Operational Equipment
		Ambient Air Quality Monitoring Stations			Yes	Community	Other Land and Buildings	13,669	1,419	450	4,000	4,000	—	—	—	Operational Equipment
		Alarms: Metro Parks Facilities			Yes	Community	Establishment of Parks & Gardens	2,910	710	450	750	500	—	—	—	Operational Equipment
		Develop: Blesbospruit for tourism			Yes	Community	Establishment of Parks & Gardens	4,110	1,430	1,080	1,800	—	—	—	—	Operational Equipment
		Construct Metro Parks Depots			Yes	Community	Establishment of Parks & Gardens	4,584	1,266	3,318	—	—	—	—	—	Operational Equipment
		Playground Equipment			Yes	Community	Establishment of Parks & Gardens	4,043	503	540	1,000	1,000	—	—	—	Operational Equipment
		Develop: Conservation areas Southern Region Meyersdal Koppies			Yes	Community	Establishment of Parks & Gardens	—	—	—	—	—	—	—	—	Operational Equipment
		Develop: Korskans Bird Sanctuary Regional Park			Yes	Community	Establishment of Parks & Gardens	545	545	—	—	—	—	—	—	Operational Equipment
		Develop: Conservation areas Southern Region Rondebuit			Yes	Community	Establishment of Parks & Gardens	1,298	1,298	—	—	—	—	—	—	Operational Equipment
		Develop: Nyoni Park			Yes	Community	Establishment of Parks & Gardens	140	59	81	—	—	—	—	—	Operational Equipment
		Develop: Krommelei Cemetery			Yes	Community	Establishment of Parks & Gardens	58,840	1,027	2,813	15,000	15,000	—	—	—	Operational Equipment
		Develop: Krommelei Cemetery - phase 2			Yes	Community	Establishment of Parks & Gardens	3,944	1,944	900	1,000	—	—	—	—	Operational Equipment
		Develop: Multi Purpose Park: Winne Mandela			Yes	Community	Establishment of Parks & Gardens	11,864	1,064	1,800	3,000	3,000	—	—	—	Operational Equipment
		Develop: Bunn Park			Yes	Community	Establishment of Parks & Gardens	2,400	1,355	1,692	500	1,000	—	—	—	Operational Equipment
		Develop: Cemeteries Muslim Section			Yes	Community	Establishment of Parks & Gardens	940	—	900	—	—	—	—	—	Operational Equipment
		Develop: President Regional Park			Yes	Community	Establishment of Parks & Gardens	1,395	495	900	—	—	—	—	—	Operational Equipment
		Development of Town Entrances			Yes	Community	Establishment of Parks & Gardens	3,750	—	2,250	1,500	—	—	—	—	Operational Equipment
		Sokkie Park			Yes	Community	Establishment of Parks & Gardens	1,242	1,242	—	—	—	—	—	—	Operational Equipment
		Sokkie Park			Yes	Community	Establishment of Parks & Gardens	15,428	428	—	4,000	4,000	—	—	—	Operational Equipment
		Murray Park			Yes	Community	Establishment of Parks & Gardens	257	257	—	—	—	—	—	—	Operational Equipment
		Develop: Mahlatini Park			Yes	Community	Establishment of Parks & Gardens	5,860	753	1,107	1,500	1,500	—	—	—	Operational Equipment
		Develop: Cemeteries - Bemis			Yes	Community	Establishment of Parks & Gardens	6,584	2,234	1,350	1,500	1,500	—	—	—	Operational Equipment
		Develop: Community Park: Zonkizwe			Yes	Community	Establishment of Parks & Gardens	8,379	6,579	1,800	—	—	—	—	—	Operational Equipment
		Develop: Multi Purpose Park Mtsua			Yes	Community	Establishment of Parks & Gardens	4,102	—	1,102	3,000	—	—	—	—	Operational Equipment
		Fencing: Metro Parks Facilities: Phase 3			Yes	Community	Establishment of Parks & Gardens	10,269	519	2,250	2,500	3,000	—	—	—	Operational Equipment
		Community Park: Rooftop			Yes	Community	Establishment of Parks & Gardens	—	—	—	—	—	—	—	—	Operational Equipment
		Multi purpose Park: Villa Liza			Yes	Community	Establishment of Parks & Gardens	—	—	—	—	—	—	—	—	Operational Equipment
		Develop: Boksburg lake			Yes	Community	Establishment of Parks & Gardens	—	—	—	—	—	—	—	—	Operational Equipment

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget																
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								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		3	2	6	3	3										
Environmental Resources Management	Rehabilitation of Weideman Dams			Yes	Community	Establishment of Parks & Gardens	2,200	400	1,800	-	-	-	-	-	Gemiston	Renewal of Existing Assets
Environmental Resources Management	Gemiston Lake			Yes	Community	Establishment of Parks & Gardens	67	67	67	-	-	-	-	-	Gemiston	Renewal of Existing Assets
Environmental Resources Management	Alberton Dam			Yes	Community	Establishment of Parks & Gardens	105,906	5,487	17,180	20,240	19,500	43,500	43,500	43,500	Alberton	Renewal of Existing Assets
Environmental Resources Management	Purchase Specialized Equipment			Yes	Other Assets	Plant & equipment	24,656	2,076	3,580	7,000	5,000	7,000	7,000	7,000	Operational Equipment	Renewal of Existing Assets
Environmental Resources Management	ICT Equipment			Yes	Other Assets	Office Equipment	2,672	357	315	500	750	300	300	300	Operational Equipment	Renewal of Existing Assets
Environmental Resources Management	Other Equipment			Yes	Other Assets	Office Equipment	284	39	45	50	75	75	75	75	Operational Equipment	Renewal of Existing Assets
Environmental Resources Management	Office Furniture			Yes	Other Assets	Office Equipment	1,357	197	260	300	300	300	300	300	Operational Equipment	Renewal of Existing Assets
Environmental Resources Management	Develop/Upgrade Community Parks			Yes	Community	Establishment of Parks & Gardens	14,000	-	-	4,000	5,600	5,000	5,000	5,000	Corporate	Renewal of Existing Assets
Environmental Resources Management	Cambrian Cemetery Ext			Yes	Community	Establishment of Parks & Gardens	25,000	-	-	1,000	9,000	15,000	15,000	15,000	Corporate	Renewal of Existing Assets
Environmental Resources Management	New cemetery in South			Yes	Community	Establishment of Parks & Gardens	26,000	-	-	-	1,000	25,000	25,000	25,000	Corporate	New
EPMO	ICT Equipment			Yes	Other Assets	Office Equipment	260	-	-	100	80	80	80	80	Operational Equipment	Renewal of Existing Assets
EPMO	Other Equipment			Yes	Other Assets	Office Equipment	80	-	-	20	20	20	20	20	Operational Equipment	Renewal of Existing Assets
EPMO	Office Furniture			Yes	Other Assets	Office Equipment	260	-	-	100	80	80	80	80	Operational Equipment	Renewal of Existing Assets
Executive Office	ICT Equipment			Yes	Other Assets	Office Equipment	1,872	92	180	300	300	1,000	1,000	1,000	Operational Equipment	Renewal of Existing Assets
Executive Office	Other Equipment			Yes	Other Assets	Office Equipment	263	18	45	50	50	100	100	100	Operational Equipment	Renewal of Existing Assets
Executive Office	Office Furniture			Yes	Other Assets	Office Equipment	2,058	388	270	200	200	1,000	1,000	1,000	Operational Equipment	Renewal of Existing Assets
Executive Office	Vehicles			Yes	Other Assets	Other Motor Vehicles	3,000	-	-	-	-	3,000	3,000	3,000	Operational Equipment	Renewal of Existing Assets
Executive Office	Vehicles(MMC's)			Yes	Other Assets	Other Motor Vehicles	1,500	-	-	1,500	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Executive Office	Office Furniture			Yes	Other Assets	Office Equipment	3,343	-	343	1,000	1,000	1,000	1,000	1,000	Operational Equipment	Renewal of Existing Assets
Executive Office	ICT Equipment			Yes	Other Assets	Office Equipment	1,993	-	58	645	645	645	645	645	Operational Equipment	Renewal of Existing Assets
Executive Office	Other Equipment			Yes	Other Assets	Office Equipment	1,446	-	42	468	468	468	468	468	Operational Equipment	Renewal of Existing Assets
Finance	CP/O/Gemiston Stores			Yes	Other Assets	Other Land and Buildings	32,279	4,379	12,600	8,000	7,300	-	-	-	Gemiston	Renewal of Existing Assets
Finance	Paving Open Spaces K/park & Alberton Stores			Yes	Other Assets	Other Land and Buildings	721	721	-	-	-	-	-	-	Alberton	New
Finance	Renovate Paypoints			Yes	Other Assets	Other Land and Buildings	2,928	2,928	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Finance	ICT Equipment			Yes	Other Assets	Office Equipment	9,039	1,001	2,039	2,000	2,000	2,000	2,000	2,000	Operational Equipment	Renewal of Existing Assets
Finance	Office Furniture			Yes	Other Assets	Office Equipment	3,608	722	666	740	740	740	740	740	Operational Equipment	Renewal of Existing Assets
Finance	Other Equipment			Yes	Other Assets	Office Equipment	30	30	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Finance	Vehicles			Yes	Other Assets	Other Motor Vehicles	8,877	877	1,800	2,000	2,000	2,000	2,000	2,000	Operational Equipment	Renewal of Existing Assets
Finance	ACL audit exchange software			Yes	Other Assets	Other	750	-	-	750	-	-	-	-	Katekongo	New
Finance	Sprinkler Paypoint			Yes	Other Assets	Other Land and Buildings	-	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Finance	Business Process Re-Engineering			Yes	Other Assets	Other	7,975	7,975	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Finance	Meter Management System			Yes	Other Assets	Other	6,696	6,696	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Finance	Customer Revenue Call Centre			Yes	Other Assets	Other	5,056	5,056	-	-	-	-	-	-	Corporate	Renewal of Existing Assets
Finance	Water Intelligent Meters			Yes	Other Assets	Other	7,471	7,471	-	-	-	-	-	-	Corporate	New
Finance	Renewable Energy			Yes	Other Assets	Other	9,953	9,953	-	-	-	-	-	-	Corporate	New
Finance	Langaville Electricity Network Restoration			Yes	Other Assets	Other	26,479	26,479	-	-	-	-	-	-	Corporate	New
Finance	Procurement of Equipment to effect cut-offs			Yes	Other Assets	Other	994	994	-	-	-	-	-	-	Corporate	New
Finance	Operational Buildings - Airconditioners			Yes	Other Assets	Other Land and Buildings	290	290	90	-	-	-	-	-	Corporate	New
Finance	Operational Buildings - Security Control			Yes	Other Assets	Other	203	203	-	-	-	-	-	-	Corporate	New
Finance	Langaville Paypoint			Yes	Other Assets	Other Land and Buildings	1,000	1,000	-	-	-	-	-	-	Kwa-Thema	New
Finance	Tshepo Art Centre Paypoint			Yes	Other Assets	Other Land and Buildings	1,000	1,000	-	-	-	-	-	-	Katekongo 1	New
Fleet Management	Buildings fleet MNGNIT & MECH ENG			Yes	Other Assets	Other Land and Buildings	32,816	26	460	3,500	7,795	21,105	21,105	21,105	Corporate	Renewal of Existing Assets
Fleet Management	Fuel Management System			Yes	Other Assets	Other	4,538	593	3,943	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Fleet Management	Fleet Management System			Yes	Other Assets	Other	4,500	-	4,500	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Fleet Management	Fuel Management and Fleet Management System			Yes	Other Assets	Other	15,000	-	-	15,000	-	-	-	-	Operational Equipment	Renewal of Existing Assets
Fleet Management	Furniture for new Fleet building			Yes	Other Assets	Office Equipment	1,196	149	297	150	100	100	100	100	Operational Equipment	Renewal of Existing Assets
Fleet Management	ICT Equipment			Yes	Other Assets	Office Equipment	1,467	335	432	200	100	400	400	400	Operational Equipment	Renewal of Existing Assets
Fleet Management	Vehicles			Yes	Other Assets	Other Motor Vehicles	8,682	1,462	3,600	1,000	1,000	1,000	1,000	1,000	Operational Equipment	Renewal of Existing Assets

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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 2014/15	Budget Year 2015/16	Ward location	New or renewal	
R thousand			2	6	3	3	3								
	Fleet Management	Workshop Equipment		Yes	Other Assets	Plant & equipment	4,447	289	1,157	1,000	1,000	1,000	Operational Equipment	Renewal of Existing Assets	
	Fleet Management	Other Equipment		Yes	Other Assets	Office Equipment	2,294	94	700	700	500	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Air Conditioners Clinics East		Yes	Other Assets	Plant & equipment	1,266	816	450	450	500	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Air Conditioners Clinics North		Yes	Other Assets	Plant & equipment	1,351	901	450	450	500	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Air Conditioners Health Facilities		Yes	Other Assets	Plant & equipment	2,687	737	450	500	800	200	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Building - Youth Friendly Services		Yes	Community	Clinics	7,364	1,364	2,000	2,000	2,000	2,000	Corporate	New	
	Health & Social Development	Carports & Garages Clinics East		Yes	Community	Clinics	942	366	576	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Carports & Garages Clinics North		Yes	Community	Clinics	591	201	390	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Carports & Garages Health Facilities		Yes	Community	Clinics	4,826	257	369	1,200	1,500	1,500	Corporate	Renewal of Existing Assets	
	Health & Social Development	Improve Access Disabled at Clinics (East)		Yes	Community	Clinics	95	63	32	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Improve Access Disabled at Clinics (North)		Yes	Community	Clinics	91	64	27	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Improve Access Disabled Health Facilities		Yes	Community	Clinics	1,346	51	45	450	600	200	Corporate	Renewal of Existing Assets	
	Health & Social Development	GENERATORS AT HEALTH FACILITIES		Yes	Other Assets	Plant & equipment	13,360	3,788	1,572	2,000	3,000	3,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Guard House Abulion Facilities East		Yes	Other Assets	Security Measures	93	93	—	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Guard House Abulion Facilities South		Yes	Other Assets	Security Measures	402	132	270	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Guard House Abulion Health Facilities		Yes	Other Assets	Security Measures	4,802	32	270	1,500	1,500	1,500	Corporate	Renewal of Existing Assets	
	Health & Social Development	Security Upgrade Facilities (East)		Yes	Other Assets	Security Measures	628	254	373	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Security Upgrade Facilities (North)		Yes	Other Assets	Security Measures	828	233	596	—	—	—	Corporate	Renewal of Existing Assets	
	Health & Social Development	Security Upgrade Facilities (North)		Yes	Other Assets	Security Measures	3,371	278	393	900	900	900	Corporate	Renewal of Existing Assets	
	Health & Social Development	NEW ALFA PARK CLINIC		Yes	Community	Clinics	16,100	—	9,900	6,100	100	—	Nigel	New	
	Health & Social Development	EXT & UPGRADE SPARTAN		Yes	Community	Clinics	4,100	—	—	100	100	4,000	Kempson Park	Renewal of Existing Assets	
	Health & Social Development	EXT & UPGRADE PHOLA PARK CLINIC		Yes	Community	Clinics	—	—	—	—	—	—	Tokosa	Renewal of Existing Assets	
	Health & Social Development	EXT & UPGRADE TSWELOPELE CLINIC(ADD LEVEL 2)		Yes	Community	Clinics	25,570	2,520	10,000	13,000	60	50	Vosloorus	Renewal of Existing Assets	
	Health & Social Development	EXT & UPGRADE KEMPTON PARK CLINIC		Yes	Community	Clinics	22,845	45	50	7,750	15,000	12,000	Kempson Park	Renewal of Existing Assets	
	Health & Social Development	Upgrade Elm Clinic		Yes	Community	Clinics	14,100	—	100	2,000	3,000	—	Tembisa 2	Renewal of Existing Assets	
	Health & Social Development	Ext & Upgrade Mossamat Clinic		Yes	Community	Clinics	24,850	1,800	10,000	10,000	2,000	60	Kalahong	Renewal of Existing Assets	
	Health & Social Development	Extension & Upgrade BARCELONA CLINIC		Yes	Community	Clinics	14,000	—	—	—	—	—	Eswatwa	Renewal of Existing Assets	
	Health & Social Development	EXT & UPGRADE DAVEYTON EAST CLINIC		Yes	Community	Clinics	1,105	406	700	—	—	—	Daveyton	Renewal of Existing Assets	
	Health & Social Development	EXT & UPGRADE JOY CLINIC		Yes	Community	Clinics	14,615	—	12,015	2,500	100	—	Eswatwa	Renewal of Existing Assets	
	Health & Social Development	New Clinic Esselen Park Tembisa		Yes	Community	Clinics	4,100	—	—	100	100	4,000	Tembisa	New	
	Health & Social Development	New Dukalote Clinic		Yes	Community	Clinics	22,290	90	200	11,000	11,000	11,000	Gemiston	New	
	Health & Social Development	New Tamatho Clinic		Yes	Community	Clinics	17,580	10,350	7,110	100	100	—	Kalahong	New	
	Health & Social Development	MEDICAL WASTE STORAGE FACILITIES		Yes	Community	Clinics	5,735	2,395	1,350	1,000	1,000	1,000	Tsakane	New	
	Health & Social Development	Extension & upgrade Seloape Thema Clinic		Yes	Community	Clinics	23,500	—	500	9,000	9,000	14,000	Kwa-Thema	Renewal of Existing Assets	
	Health & Social Development	New Clinic Underlain X9		Yes	Community	Clinics	600	—	—	500	100	100	Tsakane	New	
	Health & Social Development	EXT & UPGRADE EDENVALE CLINIC		Yes	Community	Clinics	11,000	—	—	2,000	2,000	9,000	Edenvalle	Renewal of Existing Assets	
	Health & Social Development	Extension & Upgrade Esangweni Clinic		Yes	Community	Clinics	20,850	1,350	500	500	14,000	14,000	Tembisa	Renewal of Existing Assets	
	Health & Social Development	NEW CLINIC CHIEF A LUTHULU EXTENSION WARD 24 LEVEL 2		Yes	Community	Clinics	10,270	270	—	1,000	1,000	9,000	Banoni	New	
	Health & Social Development	Extension & upgrade CLINIC WHITE CITY		Yes	Community	Clinics	13,700	—	10,800	2,800	100	—	Kwa-Thema	Renewal of Existing Assets	
	Health & Social Development	New TSIETSI Clinic Promobong South		Yes	Community	Clinics	14,050	—	50	2,000	2,000	12,000	Kalahong 2	New	
	Health & Social Development	New Reiger Park X5 Clinic		Yes	Community	Clinics	17,350	—	11,250	6,000	100	—	Boisburg	New	
	Health & Social Development	New Tswelopele Winnie Mandela Clinic		Yes	Community	Clinics	4,100	—	—	100	100	4,000	Tembisa 2	New	
	Health & Social Development	Vehicles NEW		Yes	Other Assets	Other Motor Vehicles	7,503	1,443	2,160	1,400	1,500	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Office Furnitures (Health Department)		Yes	Other Assets	Office Equipment	9,424	2,306	1,618	1,500	2,000	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Other Equipment		Yes	Other Assets	Office Equipment	7,064	1,480	985	1,800	1,800	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	ICT Equipment		Yes	Other Assets	Office Equipment	14,026	4,399	4,627	2,000	2,000	1,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Specialized Equipment		Yes	Other Assets	Plant & equipment	6,339	1,692	897	1,500	1,050	1,200	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Vehicles REPLACEMENT		Yes	Other Assets	Other Motor Vehicles	18,847	8,351	5,196	1,300	2,000	2,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Specialised vehicles		Yes	Other Assets	Other Motor Vehicles	16,137	—	4,137	8,000	2,000	2,000	Operational Equipment	Renewal of Existing Assets	
	Health & Social Development	Specialised vehicles		Yes	Other Assets	Other Motor Vehicles	824	—	—	—	—	—	Operational Equipment	Renewal of Existing Assets	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

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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			2	6	3		3								
Health & Social Development	VILLA LIZA			Yes	Community	Clinics	22,000	-	900	6,000	15,000	100	Vosloorus	New	
Health & Social Development	BUHLE PARK			Yes	Community	Clinics	2,300	-	-	-	300	2,000	Germiston	New	
Health & Social Development	PALM RIDGE			Yes	Community	Clinics	28,447	-	2,847	10,600	15,000	-	Katehlong 2	New	
Health & Social Development	Pharmaceutical Requirements Clinics			Yes	Community	Clinics	1,003	1,003	-	-	-	-	Katehlong	New	
Health & Social Development	Tamboekestonien Infrastructure			Yes	Community	Clinics	587	587	-	-	-	-	Katehlong 2	New	
Health & Social Development	Implementation Infrastructure Project			Yes	Community	Clinics	1,175	1,175	-	-	-	-	Tembisa	New	
Health & Social Development	New Phomolong (ITHERELENG)Clinic (North) Level 2			Yes	Community	Clinics	4,493	4,493	-	-	-	-	Edensvale	New	
Health & Social Development	New Clinic Ward 83 (Tsakane)			Yes	Community	Clinics	2,857	2,857	-	-	-	-	Tsakane	New	
Health & Social Development	NEW ALRA PARK CLINIC			Yes	Community	Clinics	1,254	1,254	-	-	-	-	Nigel	New	
Health & Social Development	Upgrade Mossama Clinic			Yes	Community	Clinics	265	265	-	-	-	-	Katehlong	New	
Health & Social Development	EXT & UPGRADE JOY CLINIC			Yes	Community	Clinics	1,989	1,989	-	-	-	-	Etwatwa	Renewal of Existing Assets	
Health & Social Development	New Tamaho Clinic			Yes	Community	Clinics	1,954	1,954	-	-	-	-	Katehlong	New	
Health & Social Development	MEDICAL WASTE STORAGE FACILITIES			Yes	Community	Clinics	150	150	-	-	-	-	Tsakane	New	
Health & Social Development	Building - Youth Friendly Services			Yes	Community	Clinics	2,449	2,449	-	-	-	-	Corporate	New	
Health & Social Development	EXT & UPGRADE EMAPHUPENI CLINIC			Yes	Community	Clinics	4,732	4,732	-	-	-	-	Etwatwa	Renewal of Existing Assets	
Health & Social Development	Upgrade Esangweni Clinic			Yes	Community	Clinics	741	741	-	-	-	-	Tembisa	New	
Health & Social Development	EXT & UPGRADE Ebaleni Clinic			Yes	Community	Clinics	338	338	-	-	-	-	Tembisa	New	
Health & Social Development	EXTENSION & UPGRADE THCC FOR PHAPHAMA			Yes	Community	Clinics	19,495	19,495	-	-	-	-	Tembisa	Renewal of Existing Assets	
Health & Social Development	Ext & Upgrade Palmridge Clinic			Yes	Community	Clinics	733	733	-	-	-	-	Katehlong	New	
Health & Social Development	NEW FIRST AVE CLINIC LEVEL 2			Yes	Community	Clinics	14,014	14,014	-	-	-	-	Springs	New	
Health & Social Development	Extension & upgrade CLINIC WHITE CITY			Yes	Community	Clinics	1,622	1,622	-	-	-	-	Kwa-Tema	Renewal of Existing Assets	
Health & Social Development	New Reiger Park X5 Clinic			Yes	Community	Clinics	1,251	1,251	-	-	-	-	Botsburg	New	
Health & Social Development	Tswelopele Vosloorus			Yes	Community	Clinics	254	254	-	-	-	-	Vosloorus	New	
Health & Social Development	Other Equipment			Yes	Other Assets	Office Equipment	66	66	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Health & Social Development	ICT Equipment			Yes	Other Assets	Office Equipment	50	50	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Health & Social Development	Vector Control vehicles			Yes	Other Assets	Other Motor Vehicles	171	171	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Health & Social Development	Office Furniture			Yes	Other Assets	Office Equipment	218	218	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Health & Social Development	New Crystal Park Clinic			Yes	Community	Clinics	-	-	-	-	-	-	Benoni	New	
Health & Social Development	New Khumalo Clinic			Yes	Community	Clinics	16,000	-	-	4,000	12,000	-	Katehlong	New	
Health & Social Development	New Mayfield Ext 8 Clinic			Yes	Community	Clinics	-	-	-	-	-	-	Daveyton	New	
Health & Social Development	Bonaero Park Clinic			Yes	Community	Clinics	10,000	-	-	1,000	9,000	-	Kempton park	New	
Health & Social Development	New Duduza			Yes	Community	Clinics	-	-	-	-	-	-	Duduza	New	
Health & Social Development	New Bakerton			Yes	Community	Clinics	-	-	-	-	-	-	Springs	New	
Health & Social Development	Bulk Medicine Store: Conversion of Existing Structure			Yes	Community	Clinics	700	-	-	500	200	-	Corporate	Renewal of Existing Assets	
Health & Social Development	Signage at Health Facilities			Yes	Community	Clinics	2,300	-	-	300	1,000	-	Corporate	New	
Health & Social Development	EXT & UPGRADE EMAPHUPENI CLINIC			Yes	Community	Clinics	20	-	20	-	-	-	Etwatwa	Renewal of Existing Assets	
Health & Social Development	EXTENSION & UPGRADE THCC FOR PHAPHAMA			Yes	Community	Clinics	135	-	135	-	-	-	Tembisa	Renewal of Existing Assets	
Health & Social Development	NEW FIRST AVE CLINIC LEVEL 2			Yes	Community	Clinics	180	-	180	-	-	-	Springs	New	
Health & Social Development	GREENFIELDS PAVING			Yes	Community	Clinics	225	-	225	-	-	-	Tokoza	New	
Health & Social Development	Care Centres (Social Development)			Yes	Community	Clinics	29,134	25,618	3,516	-	-	-	Corporate	New	
Human Resources Management & Development	ICT Equipment			Yes	Other Assets	Office Equipment	1,732	83	387	320	462	480	Operational Equipment	Renewal of Existing Assets	
Human Resources Management & Development	Office Furniture			Yes	Other Assets	Office Equipment	506	96	90	120	100	100	Operational Equipment	Renewal of Existing Assets	
Human Resources Management & Development	Other Equipment			Yes	Other Assets	Office Equipment	162	37	45	20	30	30	Operational Equipment	Renewal of Existing Assets	
Human Resources Management & Development	Erection of new carports			Yes	Other Assets	Other Land and Buildings	80	-	-	80	-	-	Operational Equipment	Renewal of Existing Assets	
Human Resources Management & Development	Refreshment of Rental Property			Yes	Other Assets	Other Motor Vehicles	429	129	-	-	-	300	Operational Equipment	Renewal of Existing Assets	
Human Resources Management & Development	Refreshment of Rental Property			Yes	Infrastructure	Housing	89,700	-	20,700	21,000	23,000	25,000	Corporate	Renewal of Existing Assets	
Human Resources Management & Development	Refreshment of Rental Property			Yes	Infrastructure	Housing	20,411	20,411	-	-	-	-	Corporate	Renewal of Existing Assets	
Human Resources Management & Development	Summer Symphony Land Claim			Yes	Infrastructure	Housing	32,442	32,442	-	-	-	-	Corporate	Renewal of Existing Assets	
Human Resources Management & Development	Holdings 1 to 8 Breswot Agricultural Holdings			Yes	Infrastructure	Housing	80	80	-	-	-	-	Kempton Park	New	
Human Resources Management & Development	Tembisa Urban Renewal Framework Projects			Yes	Infrastructure	Housing	78,000	-	18,000	10,000	70,000	75,000	Tembisa	Renewal of Existing Assets	

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget															
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			2	6	3	3									
Human Settlements	Acquisition of Land for New Human Settlements			Yes	Infrastructure	Housing	67,748	-	748	15,000	7,000	45,000	Corporale	New	
Human Settlements	Human Settlements, Pre Planning Fees			Yes	Infrastructure	Housing	73,550	-	-	23,550	20,000	30,000	Corporale	New	
Human Settlements	Human Settlements, Pre Planning Fees			Yes	Infrastructure	Housing	3,150	-	3,150	-	-	-	Corporale	New	
Human Settlements	Human Settlements, Pre Planning Fees			Yes	Other Assets	Other Motor Vehicles	2,479	299	630	500	500	550	Operational Equipment	Renewal of Existing Assets	
Human Settlements	ICT Equipment			Yes	Other Assets	Office Equipment	1,611	338	343	300	300	330	Operational Equipment	Renewal of Existing Assets	
Human Settlements	Office Furniture			Yes	Other Assets	Office Equipment	629	45	23	180	180	200	Operational Equipment	Renewal of Existing Assets	
Human Settlements	Specialised Equipment			Yes	Other Assets	Plant & equipment	26	26	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Human Settlements	Other Equipment			Yes	Other Assets	Office Equipment	56	17	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Human Settlements	Ollantsobane 402- JR			Yes	Infrastructure	Housing	-	-	-	-	-	-	Kempston Park	New	
Human Settlements	Ollantsobane 402- JR			Yes	Infrastructure	Housing	6,390	-	6,390	-	-	-	Kempston Park	New	
Human Settlements	Diebloem 85- IR			Yes	Infrastructure	Housing	-	-	-	-	-	-	Kempston Park	New	
Human Settlements	Diebloem 85- IR			Yes	Infrastructure	Housing	2,505	-	2,505	-	-	-	Kempston Park	New	
Human Settlements	KLIPPOORTJIE 112 IR			Yes	Infrastructure	Housing	-	-	-	-	-	-	Kempston Park	New	
Human Settlements	KLIPPOORTJIE 112 IR			Yes	Infrastructure	Housing	747	-	747	-	-	-	Kempston Park	New	
Human Settlements	Witpoortje 117R			Yes	Infrastructure	Housing	-	-	-	-	-	-	Kempston Park	New	
Human Settlements	Witpoortje 117R			Yes	Infrastructure	Housing	14,945	-	14,945	-	-	-	Kempston Park	New	
ICT	Business Process Re-Engineering			Yes	Infrastructure	Other	11,604	-	11,604	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Credit Control and Debt Management System			Yes	Infrastructure	Other	900	-	900	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Migration to Next Generation Network			Yes	Infrastructure	Other	31,055	-	155	19,500	11,400	-	Operational Equipment	Renewal of Existing Assets	
ICT	Upgrade of Data Centers and Disaster Recovery centre			Yes	Infrastructure	Other	21,386	-	8,196	6,000	7,200	-	Operational Equipment	Renewal of Existing Assets	
ICT	Upgrade of aged server equipment			Yes	Infrastructure	Other	7,000	-	7,000	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Security for ICT Infrastructure			Yes	Infrastructure	Other	17,670	-	5,670	6,000	6,000	-	Operational Equipment	Renewal of Existing Assets	
ICT	Enterprise Architectural Business process management including Document and R			Yes	Infrastructure	Other	63,129	24,129	9,000	18,000	12,000	-	Operational Equipment	Renewal of Existing Assets	
ICT	Installation of equipments parameters at Hosting Centre for the establishment of Po			Yes	Infrastructure	Other	28,992	28,992	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Infrastructure Hardware Servers			Yes	Infrastructure	Other	2,781	2,781	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	IT Networks			Yes	Infrastructure	Other	14,835	14,835	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	ERP Phase 1			Yes	Infrastructure	Other	630	-	630	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Upgrade of the Call Manager with automated reporting capability			Yes	Infrastructure	Other	44,767	39,393	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: Broadband Fibre			Yes	Infrastructure	Other	172,160	-	44,767	40,000	48,000	-	Operational Equipment	Renewal of Existing Assets	
ICT	Business Intelligence System			Yes	Infrastructure	Other	5,400	-	5,400	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Acquisition of Electronic document Management system			Yes	Infrastructure	Other	20,000	-	9,000	5,000	6,000	-	Operational Equipment	Renewal of Existing Assets	
ICT	ICT Equipment			Yes	Other Assets	Office Equipment	5,954	851	963	1,200	1,440	1,500	Operational Equipment	Renewal of Existing Assets	
ICT	Office Furniture			Yes	Other Assets	Office Equipment	1,874	218	198	300	468	600	Operational Equipment	Renewal of Existing Assets	
ICT	Digital City Services / Services Integrator			Yes	Infrastructure	Other	145,000	-	-	50,000	49,000	47,000	Operational Equipment	Renewal of Existing Assets	
ICT	Vehicles			Yes	Other Assets	Other Motor Vehicles	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Unified Command Centre			Yes	Infrastructure	Other	5,400	-	5,400	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: 1st Tier Internet Exchange			Yes	Infrastructure	Other	4,500	-	4,500	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: Access Point Network for mobility such as 3G and urban management			Yes	Infrastructure	Other	4,500	-	4,500	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: Re-configuration of Wireless Network			Yes	Infrastructure	Other	13,500	-	13,500	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: Wireless Security			Yes	Infrastructure	Other	4,500	-	4,500	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: Redundancy and Peering with Network Operators			Yes	Infrastructure	Other	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	DCS: Network Management System			Yes	Infrastructure	Other	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Business Intelligence System			Yes	Infrastructure	Other	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Customer Revenue Call Centre			Yes	Infrastructure	Other	2,700	-	2,700	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Operational Buildings - Airconditioners			Yes	Other Assets	Other Land and Buildings	76	76	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Database Security			Yes	Infrastructure	Other	-	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Database Security			Yes	Infrastructure	Other	3,539	3,539	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Development of IP Telephony and VOIP			Yes	Infrastructure	Other	218	218	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Service Provider Core Infrastructure			Yes	Infrastructure	Other	10,897	8,141	2,756	-	-	-	Operational Equipment	Renewal of Existing Assets	
ICT	Fix the fibre breakages and new links for Digital City positioning to be an Internet St			Yes	Infrastructure	Other	7,738	7,738	-	-	-	-	Operational Equipment	Renewal of Existing Assets	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

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	
R thousand									Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16	Ward location	New or renewal
		Fibre Verification for excess capacity towards digital city			Yes	Infrastructure	Other	8,521	-	-	-	-	Corporate	New	
		ICT			Yes	Other Assets	Office Equipment	580	90	300	100	100	Operational Equipment	Renewal of Existing Assets	
		Institutional Strategy, M&E and Research			Yes	Other Assets	Office Equipment	535	45	200	100	100	Operational Equipment	Renewal of Existing Assets	
		ICT Equipment			Yes	Other Assets	Office Equipment	198	-	18	60	60	Operational Equipment	Renewal of Existing Assets	
		Institutional Strategy, M&E and Research			Yes	Other Assets	Other Land and Buildings	59	23	-	-	-	Alberton	Renewal of Existing Assets	
		Internal Audit			Yes	Other Assets	Other Motor Vehicles	285	135	150	-	-	Operational Equipment	Renewal of Existing Assets	
		ICT Equipment			Yes	Other Assets	Office Equipment	1,215	181	180	338	350	Operational Equipment	Renewal of Existing Assets	
		Internal Audit			Yes	Other Assets	Office Equipment	187	9	72	30	36	Operational Equipment	Renewal of Existing Assets	
		Internal Audit			Yes	Other Assets	Office Equipment	57	14	15	14	15	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Other Motor Vehicles	933	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	394	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	225	225	-	-	-	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	16	16	-	-	-	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	5,756	385	1,750	1,000	1,000	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	5,447	167	1,750	1,000	1,000	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	1,108	28	300	300	300	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	1,110	20	500	250	250	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	1,415	145	500	250	250	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	16	16	-	-	-	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	1,201	111	500	250	250	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Office Equipment	1,090	90	500	250	250	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Other Motor Vehicles	1,540	-	540	1,000	500	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Other Motor Vehicles	500	-	500	-	-	Operational Equipment	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Other Land and Buildings	4,410	-	4,410	-	-	Germiston	Renewal of Existing Assets	
		Legislature			Yes	Other Assets	Other Land and Buildings	160,000	-	50,000	50,000	50,000	Germiston	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	170,000	-	54,000	56,000	60,000	Corporate	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	57,600	57,600	-	-	-	Germiston	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	27,491	27,491	-	-	-	Corporate	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	50,000	-	50,000	-	-	Germiston	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Office Equipment	8,000	-	2,000	3,000	3,000	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	5,000	-	-	-	-	Corporate	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	15,000	-	-	-	-	Corporate	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	936	-	-	-	-	Springs	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	194	194	-	-	-	Springs	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	1,047	1,047	-	-	-	Brakpan	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	763	763	-	-	-	Brakpan	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	727	727	-	-	-	Berconi	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	335	335	-	-	-	Kempton Park	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	295	295	-	-	-	Edenvale	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	645	645	-	-	-	Springs	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	382	382	-	-	-	Springs	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	1,090	1,090	-	-	-	Berconi	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	499	499	-	-	-	Germiston	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Office Equipment	227	32	50	65	80	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Plant & equipment	2,572	527	600	715	730	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Office Equipment	2,850	450	650	800	950	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Office Equipment	769	159	160	200	250	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Motor Vehicles	24,195	4,665	6,000	6,500	7,000	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Motor Vehicles	5,959	5,959	-	-	-	Operational Equipment	Renewal of Existing Assets	
		Real Estate			Yes	Other Assets	Other Land and Buildings	58,317	7,317	15,000	16,000	20,000	Corporate	New	
		Risk Management			Yes	Other Assets	Office Equipment	280	-	100	80	80	Operational Equipment	Renewal of Existing Assets	

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	
R thousand	2011/12 Audited Outcome								2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year 2015/16	Ward location	New or renewal	
				2	6	3	3	260	-	-	100	80	80	Operational Equipment	Renewal of Existing Assets
Risk Management	Office Furniture				Yes	Other Assets	Office Equipment	60	-	-	20	20	20	Operational Equipment	Renewal of Existing Assets
Roads and Stormwater	Other Equipment				Yes	Infrastructure	Office Equipment	15,500	-	4,500	3,500	3,500	4,000	Corporate	Renewal of Existing Assets
Roads and Stormwater	Stormwater improvements (Minor) (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	520	85	135	100	100	100	Operational Equipment	Renewal of Existing Assets
Roads and Stormwater	Specialised Equipment				Yes	Other Assets	Plant & equipment	23,012	242	1,170	1,800	1,800	18,000	Operational Equipment	Renewal of Existing Assets
Roads and Stormwater	ICT Equipment				Yes	Other Assets	Office Equipment	4,959	1,069	900	1,000	1,000	1,000	Operational Equipment	Renewal of Existing Assets
Roads and Stormwater	Office Furniture				Yes	Other Assets	Office Equipment	1,388	216	270	300	300	300	Operational Equipment	Renewal of Existing Assets
Roads and Stormwater	Vehicles				Yes	Other Assets	Other Motor Vehicles	48,748	4,958	7,230	10,500	11,000	15,000	Operational Equipment	Renewal of Existing Assets
Roads and Stormwater	Skyx Road Improvements				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,200	-	2,700	500	-	-	Benoni	Renewal of Existing Assets
Roads and Stormwater	Upgrade of O'Reilly Merry Street				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	Benoni	Renewal of Existing Assets
Roads and Stormwater	Contribution Township Development				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,500	-	1,000	1,000	500	500	Corporate	New
Roads and Stormwater	Minor Road Improvements: East				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,400	-	900	500	500	500	Corporate	Renewal of Existing Assets
Roads and Stormwater	Benoni Const of S.W Outfall Rynlid				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	13,000	-	8,000	5,000	5,000	-	Benoni	New
Roads and Stormwater	Rehabilitate Roads in Eastern Region				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	157,507	1,907	12,600	59,000	39,000	45,000	Corporate	Renewal of Existing Assets
Roads and Stormwater	Rehabilitate Dam Spillways				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,450	-	450	3,000	3,000	3,000	Brakpan	Renewal of Existing Assets
Roads and Stormwater	Pretoria Road Upgrading				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	21,000	-	3,000	7,000	7,000	11,000	Benoni	Renewal of Existing Assets
Roads and Stormwater	Somerset Stormwater Upgrading				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,450	-	450	1,000	-	-	Brakpan	Renewal of Existing Assets
Roads and Stormwater	Construction of K85				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	22,000	-	3,000	8,000	11,000	Benoni	New	
Roads and Stormwater	Replacement of Traffic Signals with LED Heads: East				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,500	-	-	500	500	500	Corporate	New
Roads and Stormwater	Traffic Calming in the Eastern Region				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,720	-	720	1,000	1,000	1,000	Corporate	Renewal of Existing Assets
Roads and Stormwater	Traffic Signal Upgrades: East				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,249	996	2,250	2,000	2,000	2,000	Corporate	Renewal of Existing Assets
Roads and Stormwater	Const. Of Small Holding Roads				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	18,050	-	4,050	5,000	5,000	5,000	Benoni	New
Roads and Stormwater	Construct Daveyton CBD/A12 Interchange				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	25,000	-	7,000	8,000	10,000	10,000	Daveyton	New
Roads and Stormwater	Upgrade Joe Mzameni Road Kwa- Thema				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,910	560	1,350	3,000	4,000	4,000	Springs	Renewal of Existing Assets
Roads and Stormwater	Ekwawa Stormwater				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	14,600	-	3,600	3,000	3,000	5,000	Eduwini	New
Roads and Stormwater	Upgrade of Roads Depots: East				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	746	296	450	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Upgrade of First Road, Puforoin				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	10,594	964	3,600	3,000	3,000	3,000	Benoni	Renewal of Existing Assets
Roads and Stormwater	K136 & Rd 1894 Link Road				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	6,105	105	-	3,000	3,000	-	Kwa- Thema	New
Roads and Stormwater	Township Develop:Ext Services (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	26,243	14,543	2,700	3,000	3,000	3,000	Corporate	New
Roads and Stormwater	Gladiab Stormwater System Implement				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,922	172	2,250	2,500	3,000	1,000	Kempson Park	New
Roads and Stormwater	Ponona Roads				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	18,675	-	675	3,000	9,000	6,000	Kempson Park	New
Roads and Stormwater	Geometric Road Improvements (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	11,632	832	1,800	3,000	3,000	3,000	Eduwini	Renewal of Existing Assets
Roads and Stormwater	Quinine Rd Stormwater System				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	16,366	2,566	1,800	4,000	4,000	4,000	Kempson Park	New
Roads and Stormwater	Ponona Stormwater System				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	16,996	96	900	2,000	7,000	7,000	Kempson Park	New
Roads and Stormwater	Isandovale Erosion Protection Impl (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,880	-	180	2,000	500	-	Eduwini	Renewal of Existing Assets
Roads and Stormwater	Stormwater Upgrades: North				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	72,000	-	9,000	17,000	21,000	25,000	Corporate	Renewal of Existing Assets
Roads and Stormwater	Hamelia / Burendal SW Systems				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	15,746	5,246	4,500	1,500	500	4,000	Eduwini	New
Roads and Stormwater	Pedestrian Management Impl (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	26,286	1,096	7,200	6,000	6,000	6,000	Corporate	Renewal of Existing Assets
Roads and Stormwater	Atterville Spruit flood management				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	23,046	3,246	10,800	5,000	3,000	1,000	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Upgrading of Agric Holding Roads (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	18,960	-	7,560	4,000	3,000	4,000	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Trichards Rd from North Rand to Impala Park				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,500	-	-	500	3,000	6,000	Boksburg	New
Roads and Stormwater	Soupsanberg Drive Intersect Upgrading				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	5,400	-	-	-	400	5,000	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Rehabilitation of Roads (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	163,159	3,058	17,100	58,000	42,000	43,000	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Rover St Widening in Henville (Furue)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	20,203	978	225	1,000	8,000	10,000	Tembisa	Renewal of Existing Assets
Roads and Stormwater	Tembisa Depot Upgrading				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	25,349	2,149	7,200	10,000	4,000	2,000	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Swartspuit Rehabilitation: Kempson Park				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	14,800	4,120	180	500	5,000	5,000	Tembisa	Renewal of Existing Assets
Roads and Stormwater	Tembisa Natural Watercourses upgrading				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,616	266	720	500	500	600	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Traffic Calming (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,366	516	1,350	2,500	2,500	2,500	Corporate	Renewal of Existing Assets
Roads and Stormwater	Traffic Signals Upgrading (North)				Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,500	-	-	500	3,000	5,000	Kempson Park	Renewal of Existing Assets

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 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			2	6		3									
Roads and Stormwater	Kempton Park Depot			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	15,446	6,646	6,300	2,500	—	—	—	Kempton Park	Renewal of Existing Assets
Roads and Stormwater	Tertiary Roads: North			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	111,500	—	31,500	30,000	25,000	25,000	—	Corporate	New
Roads and Stormwater	Elandsfontein, SW Implementation (North)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,655	505	3,150	1,500	500	3,000	—	Kempton Park	New
Roads and Stormwater	Bedfordview, Geometric Rd Improvement			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	10,000	—	4,500	2,000	500	3,000	—	Eldersvale	Renewal of Existing Assets
Roads and Stormwater	Eastleigh Spruit Channel			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	34,178	1,178	—	5,000	20,000	8,000	—	Eldersvale	Renewal of Existing Assets
Roads and Stormwater	Wilded SW System			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,950	—	450	500	1,000	3,000	—	Boisburg	New
Roads and Stormwater	Extension of Albertina Sisulu Expressway			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	46,460	—	450	7,000	21,000	18,000	—	Kempton Park	New
Roads and Stormwater	Aerotropolis: Rhodesfield road network			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	47,250	—	2,250	6,000	23,000	16,000	—	Kempton Park	New
Roads and Stormwater	Bergvliet Drive: Reconstruction & widening			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	10,500	—	—	500	2,000	8,000	—	Kempton Park	Renewal of Existing Assets
Roads and Stormwater	Impala Park Stormwater System Northrop Rd etc			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,520	—	2,520	2,000	—	—	—	Kempton Park	New
Roads and Stormwater	Tertiary Roads (South)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	56,510	5,710	10,800	8,000	16,000	16,000	—	Corporate	New
Roads and Stormwater	Stormwater Upgrades (South)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	24,951	511	10,440	3,000	5,000	6,000	—	Corporate	Renewal of Existing Assets
Roads and Stormwater	Township Develop:Ext Services ex Contributions			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,915	465	1,350	4,100	1,500	1,500	—	Corporate	New
Roads and Stormwater	Implement Traffic Signals: East			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,800	—	1,800	1,000	1,000	1,000	—	Corporate	Renewal of Existing Assets
Roads and Stormwater	Pedestrian Management: South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	19,980	—	4,580	5,100	5,100	5,100	—	Tokozza	Renewal of Existing Assets
Roads and Stormwater	Tokozza Implementation of Stormwater Masterplan			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	32,700	—	8,100	8,600	8,000	8,000	—	Tokozza	New
Roads and Stormwater	N3 Const paves brd bw Map & Voslo			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	5,340	—	90	1,000	250	4,000	—	Vosloorus	New
Roads and Stormwater	South JG Strydom Road, Construct Road			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	17,600	—	3,600	6,000	4,000	4,000	—	Corporate	New
Roads and Stormwater	Tertiary Rd's South Dept Construction			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	6,540	—	3,240	1,100	1,100	1,100	—	Corporate	New
Roads and Stormwater	Traffic Calming South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	29,037	7,287	6,750	5,000	5,000	5,000	—	Corporate	New
Roads and Stormwater	Roads on Dokoite			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,635	—	585	650	650	650	—	Corporate	Renewal of Existing Assets
Roads and Stormwater	Minor Works for Roads and SW: South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,340	—	90	250	1,500	6,500	—	Vosloorus	Renewal of Existing Assets
Roads and Stormwater	Reconstruction of Niemann Road			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,340	—	540	600	600	600	—	Corporate	Renewal of Existing Assets
Roads and Stormwater	Doubling Barry Marais Rd			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	11,083	—	2,070	2,300	2,300	2,300	—	Vosloorus	New
Roads and Stormwater	Minor Extensions to Stormwater Germiston			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	7,250	—	250	1,000	1,000	6,000	—	Germiston	Renewal of Existing Assets
Roads and Stormwater	Krat Barbara Road Intersection Upgrade			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,090	—	90	1,500	1,500	1,500	—	Germiston	Renewal of Existing Assets
Roads and Stormwater	De-silting Elsburg dam			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	11,165	265	900	8,000	2,000	—	—	Boisburg	Renewal of Existing Assets
Roads and Stormwater	St & rubbish trap, Boisburg lake			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	22,909	1,009	5,400	5,500	5,500	5,500	—	Corporate	Renewal of Existing Assets
Roads and Stormwater	Traffic Signal Upgrades: South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	55,706	9,506	11,700	12,500	11,000	11,000	—	Katlehong	New
Roads and Stormwater	Katlehong Implementation of Stormwater Masterplan			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	43,629	14,629	9,000	8,000	6,000	6,000	—	Katlehong	New
Roads and Stormwater	Tertiary Roads in Katlehong			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	13,277	2,027	2,250	2,500	2,500	4,000	—	Katlehong 2	New
Roads and Stormwater	Instal SW in Palm Ridge			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	22,720	2,520	9,000	4,000	3,600	3,600	—	Vosloorus	New
Roads and Stormwater	Tertiary Roads in Vosloorus- Phase 3			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	20,278	6,628	3,150	3,500	3,500	3,500	—	Tokozza	New
Roads and Stormwater	Tertiary Roads in Tokozza- Phase 3			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,763	613	450	5,000	3,700	—	—	Katlehong	New
Roads and Stormwater	Rondeburg/Builepark Roads & SW			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	17,450	—	450	5,000	7,000	5,000	—	Bernti	New
Roads and Stormwater	Sandpan Areas Stormwater Outfall			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	12,500	—	—	500	4,000	8,000	—	Tembisa 2	Renewal of Existing Assets
Roads and Stormwater	Kaali Spruit rehabilitation			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,200	—	—	—	200	4,000	—	Boisburg	New
Roads and Stormwater	Riverswood Rd. Construction (Future)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	17,050	—	13,050	4,000	—	—	—	Eldersvale	Renewal of Existing Assets
Roads and Stormwater	Bedfordview Stormwater Protection			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	11,680	—	180	500	5,000	6,000	—	Tembisa	New
Roads and Stormwater	Esarigwen Pedestrian facilities/bridge			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,450	—	450	1,500	2,500	2,500	—	Tokozza	New
Roads and Stormwater	Phoka Park Roads and SW			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	11,214	214	900	4,600	2,500	3,000	—	Tokozza	Renewal of Existing Assets
Roads and Stormwater	Stormwater Upgrading Thunwa			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	5,190	—	990	1,100	1,550	1,550	—	Katlehong	New
Roads and Stormwater	Katlehong & Tokozza, Lining of Canal between Katlehong and Thokozza			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	185,612	16,912	2,700	79,000	42,000	45,000	—	Katlehong	Renewal of Existing Assets
Roads and Stormwater	Rehabilitation of roads: South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,500	—	—	500	4,000	5,000	—	Kempton Park	New
Roads and Stormwater	Monument Road			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	55,000	—	18,000	9,000	9,000	19,000	—	Corporate	New
Roads and Stormwater	Roads: Low Cost Housing: North			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	98,300	—	15,300	32,000	26,000	25,000	—	Corporate	New
Roads and Stormwater	Roads East (AS and When)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	88,000	—	18,000	25,000	20,000	25,000	—	Corporate	New
Roads and Stormwater	Stormwater (AS and When)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,000	—	—	2,000	2,000	5,000	—	Corporate	Renewal of Existing Assets
Roads and Stormwater	Pedestrian Management			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,000	—	—	—	—	—	—	Corporate	Renewal of Existing Assets

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget																
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			2	6	3	3										
Roads and Stormwater	Vosloorus New Depot			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	720	-	720	-	-	-	-	Vosloorus	Renewal of Existing Assets	
Roads and Stormwater	Reconstruct Linton Jones Railway Crossing			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	5,000	-	2,700	2,300	-	-	-	Germiston	Renewal of Existing Assets	
Roads and Stormwater	Roads: Low Cost Housing, East			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	143,000	-	27,000	45,000	41,000	30,000	30,000	Corporate	New	
Roads and Stormwater	Roads: Low Cost Housing, South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	107,000	-	27,000	25,000	25,000	30,000	30,000	Corporate	New	
Roads and Stormwater	Pedestrian Bridge: Swartkops street			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,500	-	-	1,500	-	-	-	Boksburg	Renewal of Existing Assets	
Roads and Stormwater	Upgrading of Michale street			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	17,000	-	-	3,000	6,000	8,000	8,000	Beront	Renewal of Existing Assets	
Roads and Stormwater	Pedestrian Bridges: Greater Tembisa streams			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,700	-	-	100	600	4,000	4,000	Tembisa	New	
Roads and Stormwater	Turnkey Roads (East)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,000	-	9,000	-	-	-	-	Corporate	New	
Roads and Stormwater	Turnkey Stormwater (East)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,067	67	9,000	-	-	-	-	Corporate	New	
Roads and Stormwater	Tertiary roads in the Eastern Region			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,700	-	2,700	-	-	-	-	Corporate	New	
Roads and Stormwater	Brakpan, Const of Farghinson Road			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,800	-	1,800	-	-	-	-	Brakpan	New	
Roads and Stormwater	Paving & Sidewalks: East			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,350	-	1,350	-	-	-	-	Corporate	New	
Roads and Stormwater	Eastern Reg, Impl New Traffic Sign			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Kheava Stormwater Daveyton			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,750	850	900	-	-	-	-	Daveyton	New	
Roads and Stormwater	Kwa-Thema Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	7,085	3,485	3,600	-	-	-	-	Springs	New	
Roads and Stormwater	Leachville Roads & Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,469	569	900	-	-	-	-	Brakpan	New	
Roads and Stormwater	Payneville & Slovo Park Roads & Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,697	897	2,700	-	-	-	-	Springs	New	
Roads and Stormwater	Soupsenberg Drive Intersect Upgrading			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kempson Park	Renewal of Existing Assets	
Roads and Stormwater	Rover S widening in Henville (Future)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kempson Park	Renewal of Existing Assets	
Roads and Stormwater	Greater Tembisa Roads and SW			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Tembisa	New	
Roads and Stormwater	Croydon Bulk SW System			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kempson Park	New	
Roads and Stormwater	South JG Strydom Road, Construct Road			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Boksburg	New	
Roads and Stormwater	Sidewalks General			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	New	
Roads and Stormwater	SW Upgrade Nasmith Rd, Driehoek			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Germiston	Renewal of Existing Assets	
Roads and Stormwater	South Sidewalks and Rd Reserve			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Sidewalks General (2Kalehong CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kalehong 2	Renewal of Existing Assets	
Roads and Stormwater	Sidewalks General (Boksburg CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Boksburg	Renewal of Existing Assets	
Roads and Stormwater	Sidewalks General (Germiston CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Germiston	Renewal of Existing Assets	
Roads and Stormwater	Sidewalks General (Kalehong CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kalehong	Renewal of Existing Assets	
Roads and Stormwater	Sidewalks General (Tlokoza CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Tlokoza	Renewal of Existing Assets	
Roads and Stormwater	Sidewalks General (Vosloorus CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Vosloorus	Renewal of Existing Assets	
Roads and Stormwater	South Traffic Signal Co ordination			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	South, Replacement of Traffic Signals with LED Heads			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	St Austel Stormwater Drainage			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Alberton	New	
Roads and Stormwater	Stormwater Improvements (Minor) (North)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,011	2,011	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	EPWP Projects			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	6,185	6,185	-	-	-	-	-	Corporate	New	
Roads and Stormwater	Kingsway Leachville: Roads & SW			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,272	2,272	-	-	-	-	-	Brakpan	Renewal of Existing Assets	
Roads and Stormwater	Operational Buildings - Airconditioners			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	18	18	-	-	-	-	-	Specialized Equipment	Renewal of Existing Assets	
Roads and Stormwater	Operational Buildings - Airconditioners			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	95	95	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Roads and Stormwater	Turnkey Roads (East)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	19,446	19,446	-	-	-	-	-	Corporate	New	
Roads and Stormwater	Turnkey Stormwater (East)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,558	8,558	-	-	-	-	-	Corporate	New	
Roads and Stormwater	Slyx Road Improvements			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	300	300	-	-	-	-	-	Beront	Renewal of Existing Assets	
Roads and Stormwater	East Daveyton, Enwawa, Slovo Park and Welgedacht Roads & Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	14,811	14,811	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	East Watville, Leachville and Kingsway Roads & Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,152	3,152	-	-	-	-	-	Beront	Renewal of Existing Assets	
Roads and Stormwater	Minor Road Improvements: East			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	414	414	-	-	-	-	-	Corporate	New	
Roads and Stormwater	Tertiary roads in the Eastern Region			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,253	1,253	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	East Beront, Const of S W Oudal Fyrlid			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	247	247	-	-	-	-	-	Beront	Renewal of Existing Assets	
Roads and Stormwater	Rehabilitate Roads in Eastern Region			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,132	1,132	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Const. Of Small Holding Roads			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,954	4,954	-	-	-	-	-	Beront	New	
Roads and Stormwater	Construct Daveyton CSD/N12 Interchange			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	201	201	-	-	-	-	-	Daveyton	New	

EKURHULENI METROPOLITAN MUNICIPALITY – FINAL BUDGET 2013/14 TO 2015/16

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			2	6	3	3									
Roads and Stormwater	East/Eastern Reg./Upgr of Pav & Sidewalks			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,435	1,435	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	East: Construction of K36			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	297	297	-	-	-	-	-	Benoni	Renewal of Existing Assets
Roads and Stormwater	East: Replacement of Traffic Signals with LED Heads			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	374	374	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	East/Eastern Reg. Impl New Traffic Sign			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	342	342	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Traffic Calming in the Eastern Region			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,004	1,004	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	East: Kwasaouza Roads & Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	15,467	15,467	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	East: Kwa-Thema, Implement of Stormwater Sys			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	921	921	-	-	-	-	-	Edeenville	Renewal of Existing Assets
Roads and Stormwater	Isandovale Erosion Protection Impl (North)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,284	1,284	-	-	-	-	-	Edenvale	Renewal of Existing Assets
Roads and Stormwater	Southern Drive Intersect Upgrading			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	471	471	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Swartstrout Rehabilitation: Kempson Park			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,158	3,158	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Turney Rd: Brolo & BrickMeids rds			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	404	404	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Greater Tembisa Roads and SW MIG			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	38,147	38,147	-	-	-	-	-	Tembisa	Renewal of Existing Assets
Roads and Stormwater	Albertina Sisulu (R21) Express Way System Implementation			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	7,344	7,344	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Turnley Roads (North)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	8,687	8,687	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Upgrading of Agric Holding Roads (North)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,683	1,683	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Croydon Bulk SW System			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,742	3,742	-	-	-	-	-	Kempson Park	New
Roads and Stormwater	Wilded SW System			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	513	513	-	-	-	-	-	Boksburg	New
Roads and Stormwater	Albertina Sisulu (R21) Express Way System Implementation			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,178	1,178	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Impala Park Stormwater System Northrop Rd etc			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	171	171	-	-	-	-	-	Kempson Park	New
Roads and Stormwater	Burenfont SW Upgrade: Edenvale			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	443	443	-	-	-	-	-	Edeenville	Renewal of Existing Assets
Roads and Stormwater	Turnley Stormwater (South)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,294	1,294	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	East: Implement Traffic Signals			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	478	478	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Alberton sidewalks			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	629	629	-	-	-	-	-	Alberton	Renewal of Existing Assets
Roads and Stormwater	Stormwater M/Plan Tokozza			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,820	1,820	-	-	-	-	-	Tokozza	Renewal of Existing Assets
Roads and Stormwater	NG Construct Pedestrian Bridge			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	103	103	-	-	-	-	-	Vesbours	Renewal of Existing Assets
Roads and Stormwater	Tertiary Rd South Dept Construction			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	4,674	4,674	-	-	-	-	-	Kaekhong	New
Roads and Stormwater	Traffic Calming South			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	2,005	2,005	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Minor Works for Roads and Stormwater			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,048	1,048	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Sidewalks General			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	205	205	-	-	-	-	-	Corporate	New
Roads and Stormwater	Minor Extensions to Stormwater Germiston			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	604	604	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	South Sidewalks and Rd Reserve			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	20	20	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Sidewalks General (Boksburg CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	480	480	-	-	-	-	-	Boksburg	Renewal of Existing Assets
Roads and Stormwater	Sidewalks General (Germiston CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	451	451	-	-	-	-	-	Germiston	Renewal of Existing Assets
Roads and Stormwater	South Traffic Signal Co ordination			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	705	705	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	South: Replacement of Traffic Signals with LED Heads			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	702	702	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Traffic Signal SARTSM Compliance			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	765	765	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Traffic Signals Southern Region			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	715	715	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Sidewalks General (Kaekhong CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	515	515	-	-	-	-	-	Kaekhong 2	Renewal of Existing Assets
Roads and Stormwater	Sidewalks General (Kaekhong CCC)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	512	512	-	-	-	-	-	Kaekhong	Renewal of Existing Assets
Roads and Stormwater	Tlokoza Stormwater Drainage Masterplan Implementation			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	479	479	-	-	-	-	-	Tlokoza	Renewal of Existing Assets
Roads and Stormwater	East: Construction of Stormwater Outfall Sandpan Areas			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,514	3,514	-	-	-	-	-	Tlokoza	Renewal of Existing Assets
Roads and Stormwater	Kaal Spuit rehabilitation			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	869	869	-	-	-	-	-	Benoni	Renewal of Existing Assets
Roads and Stormwater	Turnley Roads (East)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	103	103	-	-	-	-	-	Tembisa 2	Renewal of Existing Assets
Roads and Stormwater	Roads East: (AS and When)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	9,000	9,000	-	-	-	-	-	Corporate	New
Roads and Stormwater	Tertiary Roads: North			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	27,460	27,460	-	-	-	-	-	Corporate	New
Roads and Stormwater	Pomona Roads			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	20,070	20,070	-	-	-	-	-	Corporate	New
Roads and Stormwater	Turnley Roads (South)			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	3,150	3,150	-	-	-	-	-	Kempson Park	Renewal of Existing Assets
Roads and Stormwater	Bedfordview Stormwater Protection			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	33,120	33,120	-	-	-	-	-	Corporate	Renewal of Existing Assets
Roads and Stormwater	Esaengweni Pedestrian Facilities/Bridge			Yes	Infrastructure	roads, Pavements, Bridges & Stormwater	1,202	1,202	-	-	-	-	-	Edeenville	Renewal of Existing Assets
							161	161	-	-	-	-	-	Tembisa	New

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget																
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 Full Year Forecast	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16	Ward location	New or renewal		
R thousand			2	6	3	3										
Roads and Stormwater	SW Upgrades Klopperpoort			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	1,020	1,020	-	-	-	-	-	Germiston	Renewal of Existing Assets	
Roads and Stormwater	SW Messierplan Impiment in Kaleshong			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	5,184	5,184	-	-	-	-	-	Kaleshong	New	
Roads and Stormwater	Traffic Signal SARTSM Compliance			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Traffic Signals Southern Region			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Thokoza Stormwater Massesplan Implementation			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Tokozza	New	
Roads and Stormwater	Faverswood Rd. Construction (Future)			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Boksburg	New	
Roads and Stormwater	SW Messierplan Impiment in Kaleshong			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kaleshong	New	
Roads and Stormwater	Aeroropols: Rhodesfield			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kempston Park	New	
Roads and Stormwater	Aeroropols: Alberina Sisulu Corridor			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kempston Park	New	
Roads and Stormwater	SW Master Plan Implementation			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	New	
Roads and Stormwater	Rehabilitation of Roads (North) From Opex			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Kempston Park	Renewal of Existing Assets	
Roads and Stormwater	Rehab. Of Roads: From Opex			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Rehab. Of Roads: From Opex			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	-	-	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Atlasville Sprout food management			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	360	360	-	-	-	-	-	Corporate	Renewal of Existing Assets	
Roads and Stormwater	Construction of Bevan Rd. Roadloop			Yes	Infrastructure	Jacks, Pavements, Bridges & Stormwater	1,845	1,845	-	-	-	-	-	Germiston	Renewal of Existing Assets	
SRAC	OP Tambo Precinct Narrative Centre			Yes	Community	Museums & Art Galleries	21,800	21,800	-	-	-	-	-	Benoni	New	
SRAC	Chris Hani Memorial			Yes	Community	Museums & Art Galleries	9,200	9,200	-	-	-	-	-	Germiston	New	
SRAC	Chris Hani Memorial			Yes	Community	Museums & Art Galleries	374	374	-	-	-	-	-	Germiston	New	
SRAC	Rehabilitation of Thami Myale Cultural Park			Yes	Community	Museums & Art Galleries	-	-	-	-	-	-	-	Tembisa 2	New	
SRAC	Construction of a Zonkizwe Multi-purpose center			Yes	Community	Recreational Facilities	-	-	-	-	-	-	-	Kaleshong	New	
SRAC	Upgrade: Construction of Memorial Sites			Yes	Community	Museums & Art Galleries	6,274	6,274	900	2,500	1,000	1,000	1,000	Corporate	Renewal of Existing Assets	
SRAC	Chris Hani Museum			Yes	Community	Museums & Art Galleries	-	-	-	-	-	-	-	Boksburg	New	
SRAC	Construction & Development of Duduza Reconciliation Park			Yes	Community	Museums & Art Galleries	3,187	3,187	450	2,600	-	-	-	Duduza	New	
SRAC	Germiston Theatre			Yes	Community	Museums & Art Galleries	41,861	2,061	1,800	18,000	20,000	-	-	Germiston	New	
SRAC	Upgrade: Art Centres			Yes	Community	Museums & Art Galleries	1,113	798	315	-	-	-	-	Corporate	Renewal of Existing Assets	
SRAC	Construction of a Multi-purpose center in Vosloorus			Yes	Community	Recreational Facilities	-	-	-	-	-	-	-	Vosloorus	New	
SRAC	Furniture & Equipment: Arts & Culture			Yes	Other Assets	Office Equipment	4,205	5	2,700	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
SRAC	Construction of New Library, Tsakane			Yes	Community	Libraries	15,350	-	1,350	7,000	7,000	-	-	Tsakane	New	
SRAC	Construction of New Library, Tsakane			Yes	Community	Libraries	13,000	-	-	9,000	4,000	-	-	Tsakane	New	
SRAC	Construction: New Library Langaville			Yes	Community	Libraries	3,948	3,948	-	-	-	-	-	Tsakane	New	
SRAC	Construction: New Library Langaville			Yes	Community	Libraries	2,700	2,700	2,700	-	-	-	-	Kwa-Thema	New	
SRAC	Construction: New Library, Winnie Mandela			Yes	Community	Libraries	2,849	2,849	-	-	-	-	-	Tembisa 2	New	
SRAC	Construction: New Library, Winnie Mandela			Yes	Community	Libraries	1,177	1,177	-	-	-	-	-	Kempston Park	New	
SRAC	Upgrade of Libraries			Yes	Community	Libraries	6,892	6,892	-	-	-	-	-	Kwa-Thema	New	
SRAC	Upgrade of Libraries			Yes	Community	Libraries	272	272	-	-	-	-	-	Corporate	Renewal of Existing Assets	
SRAC	Construction: New Library Brakpan			Yes	Community	Libraries	21	21	-	-	-	-	-	Brakpan	New	
SRAC	Rehabilitation of Boksburg and Kwa-Thema stadiums			Yes	Community	Sportsfields	334	334	-	-	-	-	-	Boksburg	New	
SRAC	Rehabilitation of Libraries			Yes	Community	Libraries	8,911	-	1,080	-	-	-	-	Eswatwa	New	
SRAC	Construction: New Library, Vosloorus			Yes	Community	Libraries	1,080	-	-	-	-	-	-	Nigel	New	
SRAC	Construction: New Library, Brakpan			Yes	Community	Libraries	21,350	-	1,350	16,000	4,000	-	-	Vosloorus	New	
SRAC	Specialized Equipment			Yes	Community	Libraries	6,830	980	900	1,500	1,500	2,000	2,000	Brakpan	Renewal of Existing Assets	
SRAC	Vehicles			Yes	Other Assets	Plant & equipment	43,071	1,821	11,250	5,000	15,000	10,000	10,000	Operational Equipment	Renewal of Existing Assets	
SRAC	Office Furniture			Yes	Other Assets	Other Motor Vehicles	49	49	450	300	300	500	500	Operational Equipment	Renewal of Existing Assets	
SRAC	ICT Equipment			Yes	Other Assets	Office Equipment	6,212	62	450	1,200	1,500	3,000	3,000	Operational Equipment	Renewal of Existing Assets	
SRAC	Libraries ICT Equipment			Yes	Community	Libraries	2,841	441	900	1,000	500	-	-	Operational Equipment	Renewal of Existing Assets	
SRAC	Libraries Furniture			Yes	Community	Libraries	5,800	-	2,700	1,800	1,300	-	-	Operational Equipment	Renewal of Existing Assets	
SRAC	Other Equipment			Yes	Other Assets	Office Equipment	75	75	-	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
SRAC	Construction: Ablution Facilities			Yes	Other Assets	Other	2,500	-	1,000	1,500	-	-	-	Corporate	Renewal of Existing Assets	
SRAC	Upgrade: Recreation Facilities			Yes	Community	Recreational Facilities	6,500	-	-	2,000	3,500	1,000	1,000	Corporate	Renewal of Existing Assets	

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget															
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 2014/15	Budget Year 2015/16	Ward location	New or renewal	
R thousand			2	6	3	3	3								
SPAC	Rehabilitation of Swimming Pools			Yes	Community	Recreational Facilities	60,413	4,653	5,850	9,000	11,000	30,000	Corporate	Renewal of Existing Assets	
SPAC	Construction of a Softball Field & Golf driving range in Tsakane			Yes	Community	Sportsfields	16,700	2,700	2,700	14,000	-	-	Tsakane	New	
SPAC	Construction of a Softball Field & Golf driving range in Tsakane			Yes	Community	Recreational Facilities	484	484	-	-	-	-	Tsakane	New	
SPAC	Construction of a new swimming pool in Duduza			Yes	Community	Recreational Facilities	450	450	450	-	-	-	Duduza	New	
SPAC	Construction of a new swimming pool in Eden Park			Yes	Community	Recreational Facilities	450	450	450	-	-	-	Tolcaza	New	
SPAC	Rehabilitation of the Boksburg stadium			Yes	Community	Sportsfields	5,000	-	-	5,000	-	-	Boksburg	Renewal of Existing Assets	
SPAC	Rehabilitation of Kaleshong Swimming Pool			Yes	Community	Recreational Facilities	2,650	-	2,250	400	-	-	Kaleshong	Renewal of Existing Assets	
SPAC	Upgrading of the Kwa-Thema stadium			Yes	Community	Sportsfields	12,700	2,700	2,700	10,000	-	-	Kwa-Thema	New	
SPAC	Fencing, Sport & Recreational Facilities			Yes	Community	Other	9,492	1,742	2,250	2,000	2,500	1,000	Corporate	Renewal of Existing Assets	
SPAC	Furniture, Community and Sport centres			Yes	Other Assets	Office Equipment	2,448	198	450	500	300	1,000	Operational Equipment	Renewal of Existing Assets	
SPAC	Rehabilitation of Sport Facilities			Yes	Community	Recreational Facilities	18,120	-	1,620	4,500	7,000	5,000	Corporate	Renewal of Existing Assets	
SPAC	Resurfacing of Hard Courts			Yes	Community	Recreational Facilities	8,800	-	1,800	3,000	2,000	2,000	Corporate	Renewal of Existing Assets	
SPAC	Specialized Vehicles			Yes	Other Assets	Other Motor Vehicles	12,500	-	-	5,000	2,500	5,000	Operational Equipment	Renewal of Existing Assets	
SPAC	Other Equipment			Yes	Community	Office Equipment	50	-	-	50	-	-	Operational Equipment	Renewal of Existing Assets	
SPAC	Construction of Drum Theatre Moses Molelekwa Art Centre			Yes	Community	Museums & Art Galleries	-	-	-	-	-	-	Tentisa 2	New	
SPAC	Construction of Bedfordview Art Gallery			Yes	Community	Museums & Art Galleries	-	-	-	-	-	-	Edenvale	New	
SPAC	Rehabilitation of Pam Brink Stadium			Yes	Community	Sportsfields	-	-	-	-	-	-	Brakpan	Renewal of Existing Assets	
SPAC	Construction of a 1000 seater Theatre			Yes	Community	Museums & Art Galleries	-	-	-	-	-	-	Gemiston	New	
SPAC	Construction of a new World Class Library			Yes	Community	Libraries	3,000	-	-	-	-	-	Gemiston	New	
SPAC	Construction of a new Bonaeo Park Library			Yes	Community	Libraries	3,000	-	-	-	-	-	Kempton Park	New	
SPAC	Upgrading & Conversion of Kaleshong Stadium World Class			Yes	Community	Sportsfields	3,000	-	-	-	-	-	Kaleshong	Renewal of Existing Assets	
SPAC	Reconstruction of Ollantsfontein Library			Yes	Community	Libraries	688	396	272	-	-	-	Tentisa 2	New	
SPAC	Upgrade of Libraries			Yes	Community	Libraries	4,873	2,835	2,039	-	-	-	Corporate	Renewal of Existing Assets	
SPAC	Upgrade of Libraries			Yes	Community	Libraries	1,223	1,017	206	-	-	-	Corporate	Renewal of Existing Assets	
SPAC	Upgrade Tembisa Library			Yes	Community	Libraries	12,600	-	3,600	1,000	5,000	3,000	Tembisa	Renewal of Existing Assets	
SPAC	Libraries ICT Equipment (SPAC GRANT)			Yes	Community	Libraries	688	396	272	-	-	-	Operational Equipment	Renewal of Existing Assets	
SPAC	Libraries Books			Yes	Community	Libraries	223	223	-	-	-	-	Operational Equipment	New	
SPAC	Reconstruction of Ollantsfontein Library			Yes	Community	Libraries	4,500	-	4,500	-	-	-	Tentisa 2	New	
SPAC	OR Tambo Precinct and surrounding development (2010 projects as Mayoral dec)			Yes	Community	Museums & Art Galleries	5,568	4,109	1,459	-	-	-	Berconi	New	
SPAC	OR Tambo Precinct and surrounding development (2010 projects as Mayoral dec)			Yes	Community	Museums & Art Galleries	28,265	28,265	-	-	-	-	Berconi	New	
SPAC	Rehabilitation of Swimming Pools			Yes	Community	Recreational Facilities	3,543	-	3,543	-	-	-	Corporate	Renewal of Existing Assets	
SPAC	Rehabilitation of Alva Park Swimming Pool			Yes	Community	Recreational Facilities	6,000	-	-	6,000	-	-	Nigel	Renewal of Existing Assets	
SPAC	Replacement of heating system, Boksburg North swimming pool			Yes	Community	Recreational Facilities	937	937	-	-	-	-	Specialized Equipment	Renewal of Existing Assets	
SPAC	Reconstruct: Kaleshong Stadium			Yes	Community	Sportsfields	4,410	-	4,410	-	-	-	Kaleshong	Renewal of Existing Assets	
SPAC	Reconstruct: Tsakane Stadium			Yes	Community	Sportsfields	14,151	14,151	-	-	-	-	Tsakane	Renewal of Existing Assets	
SPAC	Rehabilitation of Watville stadium			Yes	Community	Sportsfields	19,049	549	4,500	14,000	-	-	Berconi	Renewal of Existing Assets	
SPAC	Rehabilitation of Duduza stadium			Yes	Community	Sportsfields	19,449	499	4,950	14,000	-	-	Duduza	Renewal of Existing Assets	
SPAC	Upgrading of Voskoons Stadium			Yes	Community	Sportsfields	3,600	-	3,600	-	-	-	Voskoons	Renewal of Existing Assets	
Transport	Upgrading Gemiston Station Taxi Rank			Yes	Infrastructure	Sportsfields	40,080	-	10,080	5,000	25,000	-	Gemiston	Renewal of Existing Assets	
Transport	Daveyton Station Taxi Rank (O/F)			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	405	405	-	-	-	-	Daveyton	Renewal of Existing Assets	
Transport	Daveyton Station Taxi Rank (O/F)			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	20,708	20,708	-	-	-	-	Daveyton	Renewal of Existing Assets	
Transport	Edenvale Taxi Rank			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	681	681	-	-	-	-	Edenvale	Renewal of Existing Assets	
Transport	Provide Durswart station modal transfer facility			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	1,268	1,268	-	-	-	-	Berconi	Renewal of Existing Assets	
Transport	Du Plessis Taxi Rank			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	1,031	1,031	-	-	-	-	Alberton	Renewal of Existing Assets	
Transport	Upgrade Daveyton CBD Taxi Rank			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	1,274	1,274	-	-	-	-	Daveyton	Renewal of Existing Assets	
Transport	Oakmoor Taxi Rank (MIG)			Yes	Infrastructure	ar Parks, Bus Terminals and Taxi Rank	3,464	3,464	-	-	-	-	Tembisa	Renewal of Existing Assets	
Transport	Upgrading of various drive thrus			Yes	Other Assets	Other Land and Buildings	357	357	-	-	-	-	Corporate	Renewal of Existing Assets	
Transport	Refurbish All Metro Licensing Premises			Yes	Other Assets	Other Land and Buildings	1,616	1,616	-	-	-	-	Springs	Renewal of Existing Assets	
Transport	Specialized Equipment (Licensing)			Yes	Other Assets	Plant & equipment	26	26	-	-	-	-	Operational Equipment	Renewal of Existing Assets	
Transport	Operational Buildings - Airconditioners			Yes	Other Assets	Office Equipment	93	93	-	-	-	-	Specialized Equipment	Renewal of Existing Assets	
Transport	Operational Buildings - Security Control			Yes	Other Assets	Other Land and Buildings	430	430	-	-	-	-	Specialized Equipment	Renewal of Existing Assets	

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								Audited Outcome 2011/12	Current Year Full Year Forecast 2012/13	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16	Ward location	New or renewal		
R thousand			2	6		3	3									
Transport	Other Equipment (LIC)			Yes	Other Assets	Office Equipment	7	7						Operational Equipment	Renewal of Existing Assets	
Transport	Vehicles (Licensing)			Yes	Other Assets	Other Motor Vehicles	857	857						Operational Equipment	Renewal of Existing Assets	
Transport	ICT Equipment (LIC)			Yes	Other Assets	Office Equipment	885	885						Operational Equipment	Renewal of Existing Assets	
Transport	Office Furniture (Licensing)			Yes	Other Assets	Office Equipment	61	61						Operational Equipment	Renewal of Existing Assets	
Transport	Upgrading of all weighbridges in EMM			Yes	Other Assets	Other Land and Buildings	1,690	1,690						Corporate	Renewal of Existing Assets	
Transport	Upgrading of Gemiston Bus Depot			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	450	450						Gemiston	Renewal of Existing Assets	
Transport	Upgrading of Gemiston Bus Depot			Yes	Other Assets	Other Land and Buildings	1,684	1,684						Gemiston	Renewal of Existing Assets	
Transport	Integrated Rapid Public Transport Network(IRPTN)			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	287,326	47,783	239,543					Corporate	New	
Transport	Integrated Rapid Public Transport Network(IRPTN)			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	661,788	33,140	58,199	211,401				Corporate	New	
Transport	Replace Municipal buses			Yes	Specialised Vehicles	Buses	41,800	1,800	12,000	28,000				Operational Equipment	Renewal of Existing Assets	
Transport	Bluegumview Taxi Rank			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	15,900	900	5,000	10,000				Dutisa	Renewal of Existing Assets	
Transport	New Vosloorus Hospital Taxi Rank			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	15,900	900	5,000	10,000				Vosloorus	New	
Transport	Palm Ridge Taxi Rank			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	15,900	900	5,000	10,000				Tokozza	New	
Transport	Phuthaditaba Taxi Rank (Tokozza)			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	15,764	494	270	5,000	10,000			Tokozza	New	
Transport	Ramaphosa Taxi Rank			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	18,100	3,600	14,500					Botshaburg	New	
Transport	Bus Ticket System			Yes	Other Assets	Other	-	-	-	-				Operational Equipment	Renewal of Existing Assets	
Transport	Construction of pedestrian walkways and cyclists paths			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	20,000	-	10,000	10,000				Corporate	New	
Transport	Construction of intermodal facilities			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	25,000	-	10,000	15,000				Corporate	New	
Transport	Construction of one taxi and bus laybys			Yes	Infrastructure	Other Parks, Bus Terminals and Taxi Ranks	10,000	-	5,000	5,000				Corporate	New	
Transport	Rebuild All Metro Licensing Premises			Yes	Other Assets	Other Land and Buildings	12,060	9,180	1,440	1,440				Corporate	Renewal of Existing Assets	
Transport	Establish MVRADLTC Kaleshong			Yes	Other Assets	Other Land and Buildings	34,850	1,350	11,700	21,800				Kaleshong	New	
Transport	Specialized Equipment (Licensing)			Yes	Other Assets	Plant & equipment	3,623	23	6,000	1,800				Operational Equipment	Renewal of Existing Assets	
Transport	Other Equipment (LIC)			Yes	Other Assets	Office Equipment	1,245	45	1,800	600				Operational Equipment	Renewal of Existing Assets	
Transport	Vehicles (Licensing)			Yes	Other Assets	Other Motor Vehicles	3,210	810	1,200	1,200				Operational Equipment	Renewal of Existing Assets	
Transport	ICT Equipment (LIC)			Yes	Other Assets	Office Equipment	1,920	720	600	600				Operational Equipment	Renewal of Existing Assets	
Transport	Office Furniture (Licensing)			Yes	Other Assets	Office Equipment	2,935	931	552	552				Operational Equipment	Renewal of Existing Assets	
Transport	Construction of MVRADLTC Tembisa			Yes	Other Assets	Other Land and Buildings	35,000	2,500	10,700	21,800				Tembisa	New	
Transport	Security Cameras			Yes	Other Assets	Security Measures	2,850	450	600	600				Operational Equipment	Renewal of Existing Assets	
Transport	Office Furniture			Yes	Other Assets	Office Equipment	1,600	-	500	500				Operational Equipment	Renewal of Existing Assets	
Transport	ICT Equipment			Yes	Other Assets	Office Equipment	2,400	-	700	800				Operational Equipment	Renewal of Existing Assets	
Transport	Rebuildment of Public Transport Facilities			Yes	Infrastructure	Other Motor Vehicles	4,200	-	1,200	1,400				Operational Equipment	Renewal of Existing Assets	
Transport	Vehicles			Yes	Other Assets	Other Motor Vehicles	2,600	-	1,000	600				Operational Equipment	Renewal of Existing Assets	
Waste Management	Installation Gas Flares & Wells			Yes	Infrastructure	Refuse sites	38,102	8,452	10,000	2,000				Corporate	New	
Waste Management	Solid Waste Fleet Rebuildment			Yes	Infrastructure	Refuse sites	149	149	-	-				Corporate	Renewal of Existing Assets	
Waste Management	Cell development - Platop			Yes	Infrastructure	Refuse sites	17,526	76	5,000	10,000				Vosloorus	New	
Waste Management	Development Wekevreden Waste Site			Yes	Infrastructure	Refuse sites	16,448	6,998	450	7,000				Brakpan	New	
Waste Management	Cell Development - Reefbain			Yes	Infrastructure	Refuse sites	30,900	7,200	6,700	15,000				Kwa-Thema	New	
Waste Management	Cell Development - Reefbain			Yes	Infrastructure	Refuse sites	416	416	-	-				Kwa-Thema	New	
Waste Management	Cell and storm water - Rooftaal			Yes	Infrastructure	Refuse sites	11,810	9,810	-	-				Brakpan	New	
Waste Management	Cell and storm water - Rooftaal			Yes	Infrastructure	Refuse sites	11,860	11,860	-	-				Brakpan	New	
Waste Management	Upgrading of public offloading areas/recycling facilities			Yes	Infrastructure	Refuse sites	3,542	3,542	-	-				Corporate	Renewal of Existing Assets	
Waste Management	Erection of palisade fence at Reefbain			Yes	Infrastructure	Refuse sites	6,707	6,707	-	-				Kwa-Thema	Renewal of Existing Assets	
Waste Management	Facilities, Upgrade and construction of facilities			Yes	Infrastructure	Refuse sites	14,069	14,069	-	-				Corporate	Renewal of Existing Assets	
Waste Management	LANDFILL REHABILITATION: PREV-NEW			Yes	Infrastructure	Refuse sites	7,249	7,249	-	-				Corporate	Renewal of Existing Assets	
Waste Management	Development of the public offloading facilities/recycling			Yes	Infrastructure	Refuse sites	1,101	1,101	-	-				Corporate	Renewal of Existing Assets	
Waste Management	Specialised Equipment			Yes	Other Assets	Plant & equipment	208	208	-	-				Operational Equipment	Renewal of Existing Assets	
Waste Management	Rehabilitation of the closed Brakpan landfill site			Yes	Other Assets	Refuse sites	13,900	900	8,000	5,000				Brakpan	Renewal of Existing Assets	
Waste Management	Develop Smmer & Jack Waste site			Yes	Infrastructure	Refuse sites	20,630	630	5,000	15,000				Gemiston	New	
Waste Management	Upgrading of public offloading areas/recycling facilities			Yes	Infrastructure	Refuse sites	6,132	1,132	2,000	3,000				Corporate	Renewal of Existing Assets	
Waste Management	Facilities, Upgrade and construction of facilities			Yes	Infrastructure	Refuse sites	46,856	6,856	10,000	15,000				Corporate	Renewal of Existing Assets	

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								Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16	Ward location	New or renewal		
R thousand			2	6	3	3										
Waste Management	Development of the public offloading facilities/recycling			Yes	Other Assets	Refuse sites	65,800	1,800	18,000	30,000	18,000	30,000	Corporate	Renewal of Existing Assets		
Waste Management	Supply of Bulk Containers			Yes	Other Assets	Office Equipment	13,126	1,312	4,000	4,500	4,500	Operational Equipment	Operational Equipment	Renewal of Existing Assets		
Waste Management	Office Furniture			Yes	Other Assets	Office Equipment	1,138	268	300	300	300	Operational Equipment	Operational Equipment	Renewal of Existing Assets		
Waste Management	Other Equipment			Yes	Other Assets	Office Equipment	1,170	270	300	300	300	Operational Equipment	Operational Equipment	Renewal of Existing Assets		
Waste Management	ICT Equipment			Yes	Other Assets	Office Equipment	3,688	368	720	800	1,000	Operational Equipment	Operational Equipment	Renewal of Existing Assets		
Waste Management	Supply of recycling bins			Yes	Infrastructure	Refuse sites	7,500	—	2,000	4,500	1,000	Corporate	New			
Waste Management	Specialised Vehicles			Yes	Specialised Vehicles	Refuse sites	235,437	62,820	42,932	48,517	30,000	Operational Equipment	Operational Equipment	Renewal of Existing Assets		
Waste Management	Air space development			Yes	Infrastructure	Refuse sites	25,000	—	—	—	25,000	Corporate	Corporate	Renewal of Existing Assets		
Waste Management	Area and Street Furniture in our CBDs			Yes	Other Assets	Office Equipment	8,500	—	—	—	8,500	Operational Equipment	Operational Equipment	Renewal of Existing Assets		
Waste Management	Waste Minimisation Projects			Yes	Infrastructure	Refuse sites	30,000	—	—	—	30,000	Corporate	Corporate	New		
Waste Management	Conversion and upgrading of existing Mini site to drop off facility for recycling			Yes	Infrastructure	Refuse sites	5,000	—	—	—	5,000	Corporate	Corporate	Renewal of Existing Assets		
Waste Management	Renewal of Transfer Station in Alberton			Yes	Infrastructure	Refuse sites	22,961	2,171	20,790	—	—	Alberton	Renewal of Existing Assets			
Water & Sanitation	Water Intelligent Meters			Yes	Infrastructure	Water Reservoirs & Retention	23,400	23,400	—	—	—	Corporate	New			
Water & Sanitation	Edenvale: Ilmorale Outfall sewer			Yes	Infrastructure	Sewerage Purification & Retention	25,088	4,431	4,655	10,000	4,500	Edenvale	New			
Water & Sanitation	Upgrade Outfall Sewers in Vosloorus CF			Yes	Infrastructure	Sewerage Purification & Retention	19,100	—	3,600	14,000	1,500	Vosloorus	Renewal of Existing Assets			
Water & Sanitation	Bentoni: Refining of Lakeside Wall			Yes	Infrastructure	Sewerage Purification & Retention	9,537	4,837	2,700	1,000	—	Bentoni	Renewal of Existing Assets			
Water & Sanitation	Tembisa: Building new & upg Depots (N Region)			Yes	Infrastructure	Water Reservoirs & Retention	7,290	—	7,290	—	—	Tembisa	Renewal of Existing Assets			
Water & Sanitation	Kempson Park: Upgrade depot building			Yes	Infrastructure	Water Reservoirs & Retention	10,386	146	8,000	—	—	Kempson Park	Renewal of Existing Assets			
Water & Sanitation	Blaauwbaan: relocate the gravity sewer pipeline			Yes	Infrastructure	Sewerage Purification & Retention	4,925	125	2,700	2,100	—	Kempson Park	Renewal of Existing Assets			
Water & Sanitation	Brakpan: Upgrade feeder Rand Coleries			Yes	Infrastructure	Water Reservoirs & Retention	10,258	2,058	8,100	100	—	Brakpan	Renewal of Existing Assets			
Water & Sanitation	Augmentation of Rondebout Water Supply			Yes	Infrastructure	Water Reservoirs & Retention	932	932	—	—	—	Gemiston	Renewal of Existing Assets			
Water & Sanitation	Sanitation Developer			Yes	Infrastructure	Sewerage Purification & Retention	9,699	9,699	—	—	—	Corporate	New			
Water & Sanitation	Zonkizwe Proper Ext 1 & 2 Sanitation System			Yes	Infrastructure	Sewerage Purification & Retention	—	—	—	—	—	Kalahong 2	New			
Water & Sanitation	Duduzi Ext 4 (on Hold)			Yes	Infrastructure	Sewerage Purification & Retention	—	—	—	—	—	Duduzi	New			
Water & Sanitation	Alra Park Essential services			Yes	Infrastructure	Water Reservoirs & Retention	4,939	4,939	—	—	—	Nigel	New			
Water & Sanitation	Kempson Park / Bishopstun: Geesveld Water			Yes	Infrastructure	Water Reservoirs & Retention	—	—	—	—	—	Kempson Park	New			
Water & Sanitation	Upgrade Water Network CF, Etwawa X19			Yes	Infrastructure	Water Reservoirs & Retention	26,913	13	900	15,000	10,000	Etwawa	New			
Water & Sanitation	Water and Sewer Ret. Weigedacht			Yes	Infrastructure	Sewerage Purification & Retention	9,000	900	6,000	2,000	100	Springs	New			
Water & Sanitation	Tembisa: New water pressure tower (MIG)			Yes	Infrastructure	Water Reservoirs & Retention	7,700	—	2,700	1,000	4,000	Tembisa	New			
Water & Sanitation	Kwa-Thema: Upgrading of water network CF			Yes	Infrastructure	Water Reservoirs & Retention	3,430	180	2,250	1,000	—	Kwa-Thema	Renewal of Existing Assets			
Water & Sanitation	Bulk supply for new water supply (Dawn Park)			Yes	Infrastructure	Water Reservoirs & Retention	5,250	—	2,250	3,000	—	Vosloorus	New			
Water & Sanitation	Daveyton: Booster Pump Knipposfontein Res			Yes	Infrastructure	Water Reservoirs & Retention	274	244	30	—	—	Etwawa	New			
Water & Sanitation	Gemiston: Elimination of Kippoortje s pump s			Yes	Infrastructure	Sewerage Purification & Retention	16,325	—	5,625	10,200	500	Gemiston	Renewal of Existing Assets			
Water & Sanitation	Gemiston: Replace water pipes CBD			Yes	Infrastructure	Water Reservoirs & Retention	450	—	450	—	—	Gemiston	Renewal of Existing Assets			
Water & Sanitation	Gemiston: Upgrade and replace Delema outfall sewer			Yes	Infrastructure	Sewerage Purification & Retention	27,921	11,121	10,800	6,000	—	Gemiston	Renewal of Existing Assets			
Water & Sanitation	Isotaba Midblock water Kwa-Thema			Yes	Infrastructure	Water Reservoirs & Retention	11,333	7,283	4,050	—	—	Kwa-Thema	Renewal of Existing Assets			
Water & Sanitation	Langaville: Upgrade water and sewer network			Yes	Infrastructure	Sewerage Purification & Retention	13,225	225	11,000	2,000	—	Kwa-Thema	Renewal of Existing Assets			
Water & Sanitation	Nigel: Upgrade/Eliminate Rooiville pumpst			Yes	Infrastructure	Sewerage Purification & Retention	10,711	311	900	5,000	4,500	Kwa-Thema	Renewal of Existing Assets			
Water & Sanitation	Nigel: Water tower Vesagje Park			Yes	Infrastructure	Water Reservoirs & Retention	10,300	—	6,300	4,000	—	Nigel	New			
Water & Sanitation	Others: Upgrade reservoir			Yes	Infrastructure	Water Reservoirs & Retention	8,456	1,876	5,580	1,000	—	Tembisa 2	Renewal of Existing Assets			
Water & Sanitation	Phasing out of Dunsward pumpst CF			Yes	Infrastructure	Sewerage Purification & Retention	6,050	—	4,050	1,000	—	Bentoni	Renewal of Existing Assets			
Water & Sanitation	Phomolong: Augment supply pipeline to Phomolong and Commerda			Yes	Infrastructure	Water Reservoirs & Retention	3,800	3,800	200	—	—	Edenvale	Renewal of Existing Assets			
Water & Sanitation	Replace and repair OS Dawn Park			Yes	Infrastructure	Sewerage Purification & Retention	5,660	30	3,330	2,300	—	Vosloorus	Renewal of Existing Assets			
Water & Sanitation	Replace main water - Isotaba / Zephania Tembisa			Yes	Infrastructure	Water Reservoirs & Retention	4,853	2,053	2,700	100	—	Tembisa	Renewal of Existing Assets			
Water & Sanitation	Tembisa: Replace water pipe Isotaba			Yes	Infrastructure	Water Reservoirs & Retention	6,925	89	5,837	1,000	—	Tembisa	Renewal of Existing Assets			
Water & Sanitation	Tsakane: New sewer p station			Yes	Infrastructure	Sewerage Purification & Retention	14,507	1,007	13,500	—	—	Duduzi	New			
Water & Sanitation	Tsakane: Provide water Tsakane x 6 and 10			Yes	Infrastructure	Water Reservoirs & Retention	4,391	1,371	2,520	500	—	Duduzi	New			
Water & Sanitation	Tsakane: Upgrade Xhosa / Zulu water P/S			Yes	Infrastructure	Water Reservoirs & Retention	4,20	240	180	—	—	Duduzi	Renewal of Existing Assets			
Water & Sanitation	Springs: Kwa-Thema: Upgrade Water Network			Yes	Infrastructure	Water Reservoirs & Retention	387	207	180	—	—	Kwa-Thema	Renewal of Existing Assets			
Water & Sanitation	Tembisa: Western CF sewer			Yes	Infrastructure	Sewerage Purification & Retention	6,590	—	500	3,000	3,000	Tembisa	New			

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R thousand								Audited Outcome 2011/12	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal	
	Water & Sanitation		2	6	3	3	9,225	-	1,000	6,000	2,000	Tembisa	New	
	Water & Sanitation			Yes	Infrastructure	Sewerage Purification & Retreatment	9,225	-	1,000	6,000	2,000	Tembisa	New	
	Water & Sanitation			Yes	Infrastructure	Water Reservoirs & Retreatment	9,800	-	2,500	2,500	3,000	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Water Reservoirs & Retreatment	12,800	-	1,800	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Pipe replacement Phase 1	-	-	-	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Sewer Pump Station Eliminate	-	-	-	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Modernisation 76 IR, Pm 7 Ethal SVC C F	12,750	-	2,250	500	3,000	Brakpan	New	
	Water & Sanitation			Yes	Infrastructure	Reservoir Construction	25,100	-	2,500	4,600	18,000	Corporate	New	
	Water & Sanitation			Yes	Infrastructure	Reservoir Construction NE	-	-	-	-	-	Corporate	New	
	Water & Sanitation			Yes	Infrastructure	Upgrade Water Networks	-	-	3,300	5,700	8,200	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Human Settlements Essential Services	17,200	-	-	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Building New and Upgrade Depot Buildings	142,000	-	11,000	65,500	65,500	Corporate	New	
	Water & Sanitation			Yes	Infrastructure	Water Loss Eradication Programme	8,070	-	2,070	6,000	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Relocate midblock water Daveyton (W65) C/F	450,000	-	150,000	150,000	-	Corporate	New	
	Water & Sanitation			Yes	Infrastructure	Relocate midblock water Daveyton (W65) C/F	4,854	3,864	960	-	-	-	Daveyton	Renewal of Existing Assets
	Water & Sanitation			Yes	Infrastructure	Reger Park: Decommission sewer station	1,975	1,255	720	-	-	-	Boksburg	Renewal of Existing Assets
	Water & Sanitation			Yes	Infrastructure	Germiston: Supply To Russel Rd Reservoir	180	-	180	-	-	-	Germiston	New
	Water & Sanitation			Yes	Infrastructure	Upgrade training venue at Boksburg water depot	23	-	23	-	-	-	Boksburg	Renewal of Existing Assets
	Water & Sanitation			Yes	Infrastructure	Pomona: Upgrade water A.H. Atlas rd	2,677	427	2,250	-	-	-	Kempton Park	Renewal of Existing Assets
	Water & Sanitation			Yes	Infrastructure	Pomona: New Eastern OF sewer	695	695	-	-	-	-	Kempton Park	New
	Water & Sanitation			Yes	Infrastructure	Pomona: Bulk supply Albertina Sicalu Corridor	2,388	2,388	-	-	-	-	Kempton Park	New
	Water & Sanitation			Yes	Infrastructure	Daveyton: Rehabilitate 4500lt steel pipe	-	-	-	-	-	-	Daveyton	Renewal of Existing Assets
	Water & Sanitation			Yes	Infrastructure	WATER DEVELOPER CREATED ASSETS	3,751	3,751	-	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Replacement of Water Meters	271	271	-	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Pre-implementation Planning - various projects	1,511	1,511	-	-	-	Corporate	New	
	Water & Sanitation			Yes	Infrastructure	Upgrade water main (C/F) Selcourt	825	825	-	-	-	Springs	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Upgrade Outfall Sewers in Vosloorus C/F	534	534	-	-	-	Vosloorus	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Tembisa: Building new & ugg Depots (N Region)	1,211	1,211	-	-	-	Tembisa	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Alberton: Re-line water supply Delphium str	622	622	-	-	-	Alberton	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Etwatwa X19 Essential service s/cial pl	1,079	1,079	-	-	-	Etwatwa	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Brakpan: Upgrade Various Sewers	1,489	1,489	-	-	-	Brakpan	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Replace midblock s lines in Thokoza C/F	1,431	1,825	-	-	-	Thokoza	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Water and Sewer Reck. Welgedacht	3,447	3,447	-	-	-	Etwatwa	New	
	Water & Sanitation			Yes	Infrastructure	Boksburg depot: Additions to standby quarters	95	95	-	-	-	Boksburg	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Germiston: Elimination of Kippoorie's pump s	349	349	-	-	-	Germiston	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Germiston: Replace water pipes CBD	6,505	6,505	-	-	-	Germiston	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Nigel: Water tower Visagie Park	637	637	-	-	-	Nigel	New	
	Water & Sanitation			Yes	Infrastructure	Phasing out of Dunsward pumps C/F	12,077	12,077	-	-	-	Benoni	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Vosloorus: Extend the water net Mapleton	282	282	-	-	-	Vosloorus	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Water Demand Management Projects	3,939	3,939	-	-	-	Corporate	New	
	Water & Sanitation			Yes	Infrastructure	Benoni East: Extend Sewers	1,260	1,260	-	-	-	Benoni	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Kempton Park: Augment Water	337	337	-	-	-	Corporate	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Springs: Augment Water	185	185	-	-	-	Springs	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Benoni East: Augment water	559	559	-	-	-	Benoni	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Katlehong: Network Upgrade	620	620	-	-	-	Katlehong	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Kempton Park: Network Upgrade	1,794	1,794	-	-	-	Kempton Park	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Boksburg: Network Upgrade	22,132	22,132	-	-	-	Boksburg	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Brakpan: Replace outfall sewer Casselade	576	576	-	-	-	Springs	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Germiston depot: Additions to standby quarters	15	15	-	-	-	Germiston	Renewal of Existing Assets	
	Water & Sanitation			Yes	Infrastructure	Germiston: Elsburg outfall sewer (H385) (P 2&3) C/F	155	155	-	-	-	Germiston	New	

EKU Ekurhuleni Metro - Supporting Table SA36 Consolidated detailed capital budget															
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			2	6	3	3									
Water & Sanitation	Umlerton Outfall sewer (H281) court			Yes	Infrastructure	Sewerage Purification & Retention	817	817	-	-	-	-	-	Boisburg	New
Water & Sanitation	Upgrading of Benoni SIP			Yes	Infrastructure	Water Reservoirs & Retention	4,089	4,089	-	-	-	-	-	Benoni	Renewal of Existing Assets
Water & Sanitation	Automatic Meter Reading Projects (AMR)			Yes	Infrastructure	Water Reservoirs & Retention	164	164	-	-	-	-	-	Corporate	Renewal of Existing Assets
Water & Sanitation	Benoni: Extension of Rytheild w/s network			Yes	Infrastructure	Water Reservoirs & Retention	3,823	3,823	-	-	-	-	-	Benoni	Renewal of Existing Assets
Water & Sanitation	Brakpan: Construct new R/c; Middleweg Rand Col			Yes	Infrastructure	Water Reservoirs & Retention	68	68	-	-	-	-	-	Brakpan	Renewal of Existing Assets
Water & Sanitation	Brakpan: New and upgrading supply pipework			Yes	Infrastructure	Water Reservoirs & Retention	221	221	-	-	-	-	-	Brakpan	Renewal of Existing Assets
Water & Sanitation	Construct new water supply (Atlas RO)			Yes	Infrastructure	Water Reservoirs & Retention	1,025	1,025	-	-	-	-	-	Boisburg	Renewal of Existing Assets
Water & Sanitation	Benoni North: Extend Sewers			Yes	Infrastructure	Sewerage Purification & Retention	1,404	1,404	-	-	-	-	-	Benoni	Renewal of Existing Assets
Water & Sanitation	Alberton: Replace gal water connections			Yes	Infrastructure	Water Reservoirs & Retention	502	502	-	-	-	-	-	Alberton	Renewal of Existing Assets
Water & Sanitation	Install comb meters industrial areas			Yes	Infrastructure	Water Reservoirs & Retention	17,271	17,271	-	-	-	-	-	Corporate	New
Water & Sanitation	Installation of water meters			Yes	Infrastructure	Water Reservoirs & Retention	65	65	-	-	-	-	-	Corporate	Renewal of Existing Assets
Water & Sanitation	Water and sewer refunds			Yes	Infrastructure	Sewerage Purification & Retention	30	30	-	-	-	-	-	Corporate	New
Water & Sanitation	Molekiet Ext 1 & 2 Essential Services Completion			Yes	Infrastructure	Water Reservoirs & Retention	2,559	2,559	-	-	-	-	-	Katekongo	Renewal of Existing Assets
Water & Sanitation	Mayfield X1 Essential services			Yes	Infrastructure	Water Reservoirs & Retention	5,634	5,634	-	-	-	-	-	Kempton Park	Renewal of Existing Assets
Water & Sanitation	Vlakfontein Portion 36 Essential services			Yes	Infrastructure	Water Reservoirs & Retention	24,990	24,990	-	-	-	-	-	Kwa-Thema	New
Water & Sanitation	Ederpark West & X.1 (858) Essential Services			Yes	Infrastructure	Water Reservoirs & Retention	18,478	18,478	-	-	-	-	-	Alberton	Renewal of Existing Assets
Water & Sanitation	Upgrade services Riverside, Mashimmi			Yes	Infrastructure	Water Reservoirs & Retention	21,388	17,788	3,600	-	-	-	-	Kwa-Thema	Renewal of Existing Assets
Water & Sanitation	Modderfontein 76 IR Ph 7 Ehal SVC C F			Yes	Infrastructure	Water Reservoirs & Retention	6,342	6,342	-	-	-	-	-	Brakpan	Renewal of Existing Assets
Water & Sanitation	Installation of water meters in various towns			Yes	Infrastructure	Water Reservoirs & Retention	4,388	4,388	-	-	-	-	-	Corporate	New
Water & Sanitation	Payneville Ext 11(1000) Essential Services			Yes	Infrastructure	Water Reservoirs & Retention	28,879	28,879	-	-	-	-	-	Springs	Renewal of Existing Assets
Water & Sanitation	Etwawa X 34 Essential service special project			Yes	Infrastructure	Water Reservoirs & Retention	11,216	11,216	-	-	-	-	-	Etwawa	Renewal of Existing Assets
Water & Sanitation	Kwa Thema Ext:3 essential services(Yes	Infrastructure	Water Reservoirs & Retention	4,043	4,043	-	-	-	-	-	Kwa-Thema	New
Water & Sanitation	Etwawa Ext 37 Essential services			Yes	Infrastructure	Water Reservoirs & Retention	13,362	6,072	7,290	-	-	-	-	Kempton Park	Renewal of Existing Assets
Water & Sanitation	Zonkizwe Proper Ext 1 & 2 Sanitation System			Yes	Infrastructure	Sewerage Purification & Retention	1,253	1,253	-	-	-	-	-	Katekongo 2	New
Water & Sanitation	Palm Ridge Ext 4 Construction of Toilet Structures			Yes	Infrastructure	Water Reservoirs & Retention	288	288	-	-	-	-	-	Corporate	Renewal of Existing Assets
Water & Sanitation	Reservoir Construction			Yes	Infrastructure	Water Reservoirs & Retention	630	630	-	-	-	-	-	Etwawa	Renewal of Existing Assets
Water & Sanitation	Etwawa Ext 18 Essential services - Remedial Work			Yes	Infrastructure	Water Reservoirs & Retention	7,200	7,200	-	-	-	-	-	Springs	Renewal of Existing Assets
Water & Sanitation	Upgrade water main Selcourt			Yes	Infrastructure	Water Reservoirs & Retention	405	405	-	-	-	-	-	Corporate	Renewal of Existing Assets
Water & Sanitation	Vlakfontein Portion 36 Essential services			Yes	Infrastructure	Water Reservoirs & Retention	6,038	6,038	-	-	-	-	-	Kwa-Thema	New
Water & Sanitation	Payneville Ext 11(1000) Essential service			Yes	Infrastructure	Water Reservoirs & Retention	11,019	11,019	-	-	-	-	-	Springs	New
Water & Sanitation	Kwa Thema Ext:3 essential services(Yes	Infrastructure	Water Reservoirs & Retention	5,850	5,850	-	-	-	-	-	Kwa-Thema	New
Water & Sanitation	Masechaba Water and Sewer Network			Yes	Infrastructure	Sewerage Purification & Retention	2,250	2,250	-	-	-	-	-	Nigel	New
Water & Sanitation	Replacement of Water Meters			Yes	Infrastructure	Water Reservoirs & Retention	37,915	19,915	18,000	-	-	-	-	Corporate	Renewal of Existing Assets

Table 84 MBRR SA37 - Projects delayed from previous financial year

Municipal Vote/Capital project		Project name	Asset Class 3	Asset Sub-Class 3	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 +2 2015/16
R thousand								
Parent municipality:								
List all capital projects grouped by Municipal Vote			Examples		Examples			
Customer Relations Management	Customer Relations Management	CCA Brownfields Upgrades	Other Assets	Other Land and Buildings	16,000	11,500	18,000	4,600
Customer Relations Management	Customer Relations Management	Daveyton Building Upgrade	Other Assets	Other Land and Buildings	4,100	600	5,500	4,000
Customer Relations Management	Customer Relations Management	Nigel Building Upgrade	Other Assets	Other Land and Buildings	7,000	1,300	7,000	4,500
Customer Relations Management	Customer Relations Management	Tembisa Building Upgrade	Other Assets	Other Land and Buildings	7,000	600	6,143	7,500
Customer Relations Management	Customer Relations Management	Tembisa 2/ Winnie Mandela New Building	Other Assets	Other Land and Buildings	8,000	1,500	10,000	11,500
Customer Relations Management	Customer Relations Management	Vosloorus Building Upgrade	Other Assets	Other Land and Buildings	3,200	300	2,900	750
Disaster & Emergency Management Services	Disaster & Emergency Management Services	Const Fire Station/House Kwa-Thema	Other Assets	Other Land and Buildings	5,000	320	19,754	-
Disaster & Emergency Management Services	Disaster & Emergency Management Services	Const Fire Station/House Zomkezwane	Other Assets	Other Land and Buildings	18,200	12,600	5,600	-
Disaster & Emergency Management Services	Disaster & Emergency Management Services	Const Fire Station/House Duulaza	Other Assets	Other Land and Buildings	18,200	13,000	5,200	-
Economic Development	Economic Development	Township Economies Development	Infrastructure	Other	3,200	-	5,800	10,000
Economic Development	Economic Development	Refurbishment of Fresh Produce Market	Other Assets	Markets	15,000	12,000	15,000	15,000
EMPD	EMPD	Const Precinct Station Tokozia	Other Assets	Other Land and Buildings	8,000	1,800	9,000	-
Energy	Energy	Vosloorus Network enhancement	Infrastructure	Electricity Retooling	570	-	500	1,000
Energy	Energy	Corporate Substations Upgrade	Infrastructure	Electricity Retooling	40,158	34,033	100,000	80,000
Environmental Resources Management	Environmental Resources Management	Renhabilitation of the Naaispruit Catchment	Community	Other	2,000	1,000	1,300	2,000
Environmental Resources Management	Environmental Resources Management	Develop: Beabokspuit for tourism	Community	Establishment of Parks & Gardens	1,870	1,200	1,600	-
Environmental Resources Management	Environmental Resources Management	Playground Equipment	Community	Establishment of Parks & Gardens	1,000	600	1,000	1,000
Environmental Resources Management	Environmental Resources Management	Develop: Bunny Park	Community	Establishment of Parks & Gardens	2,000	1,880	500	1,000
Finance	Finance	CPO/Germiston Stores	Other Assets	Other Land and Buildings	14,500	14,000	8,000	4,800
Fleet Management	Fleet Management	Buildings fleet MNGINT & MECH ENG	Other Assets	Other Land and Buildings	1,000	500	3,500	7,735
Health & Social Development	Health & Social Development	Improve Access Disabled Health Facilities	Community	Clinics	150	50	450	600
Health & Social Development	Health & Social Development	GENERATORS AT HEALTH FACILITIES	Other Assets	Plant & equipment	2,608	1,746	2,000	3,000
Health & Social Development	Health & Social Development	NEW ALRA PARK CLINIC	Community	Clinics	12,040	11,000	7,000	100
Health & Social Development	Health & Social Development	New Tamatso Clinic	Community	Clinics	12,950	11,500	8,110	100
Health & Social Development	Health & Social Development	Extension & Upgrade Esangweni Clinic	Community	Clinics	1,800	1,500	1,000	2,000
Health & Social Development	Health & Social Development	Extension & upgrade CLINIC WHITE CITY	Community	Clinics	13,150	12,000	3,000	100
Health & Social Development	Health & Social Development	PALM RIDGE	Community	Clinics	4,000	3,163	10,600	15,000
Human Settlements	Human Settlements	Acquisition of Land for New Human Settlements	Infrastructure	Housing	39,683	831	15,000	7,000
Human Settlements	Human Settlements	Human Settlements, Pre Planning Fees	Infrastructure	Housing	10,000	-	23,550	20,000
ICT	ICT	Migration to Next Generation Network	Infrastructure	Other	11,300	172	9,500	11,400
Real Estate	Real Estate	Refurbishment of Lettable Facilities	Other Assets	Other Land and Buildings	10,000	8,130	15,000	16,000
Roads and Stormwater	Roads and Stormwater	Contribution Township Development	Infrastructure	Roads, Pavements, Bridges & Stormwater	1,000	-	1,000	1,000
Roads and Stormwater	Roads and Stormwater	Benoni, Const of S W Outfall Rymfild	Infrastructure	Roads, Pavements, Bridges & Stormwater	4,000	-	8,000	5,000
Roads and Stormwater	Roads and Stormwater	Rehabilitate Roads in Eastern Region	Infrastructure	Roads, Pavements, Bridges & Stormwater	34,000	14,000	59,000	39,000
Roads and Stormwater	Roads and Stormwater	Pretria Road Upgrading	Infrastructure	Roads, Pavements, Bridges & Stormwater	3,500	-	3,000	7,000
Roads and Stormwater	Roads and Stormwater	Construction of K86	Infrastructure	Roads, Pavements, Bridges & Stormwater	3,000	-	3,000	11,000
Roads and Stormwater	Roads and Stormwater	Construct Daveyton CBD/N12 Interchange	Infrastructure	Roads, Pavements, Bridges & Stormwater	1,000	-	7,000	8,000
Roads and Stormwater	Roads and Stormwater	K136 & Rd 1894 Link Road	Infrastructure	Roads, Pavements, Bridges & Stormwater	5,000	-	3,000	3,000
Roads and Stormwater	Roads and Stormwater	Township Develop/Ext Services (North)	Infrastructure	Roads, Pavements, Bridges & Stormwater	5,000	3,000	3,000	3,000
Roads and Stormwater	Roads and Stormwater	Renhabilitation of Roads (North)	Infrastructure	Roads, Pavements, Bridges & Stormwater	36,000	19,000	58,000	42,000

Municipal Vote/Capital project		Project name	Asset Class 3	Asset Sub-Class 3	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework	
R thousand	Original Budget				Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Roads and Stormwater	500	Tembisa Depot Upgrading	Infrastructure	Roads, Pavements, Bridges & Stormwater	250	1,000	8,000	10,000
Roads and Stormwater	10,000	Swarispruit Rehabilitation: Kempton Park	Infrastructure	Roads, Pavements, Bridges & Stormwater	8,000	10,000	4,000	2,000
Roads and Stormwater	700	Tembisa Natural Watercourses upgrading	Infrastructure	Roads, Pavements, Bridges & Stormwater	200	500	5,000	5,000
Roads and Stormwater	500	Turney Rds: Brolo & Brickfields rds	Infrastructure	Roads, Pavements, Bridges & Stormwater	-	500	3,000	5,000
Roads and Stormwater	10,000	Eastleigh Spruit Channel	Infrastructure	Roads, Pavements, Bridges & Stormwater	-	5,000	20,000	8,000
Roads and Stormwater	2,000	Wildfield SW System	Infrastructure	Roads, Pavements, Bridges & Stormwater	500	500	1,000	3,000
Roads and Stormwater	10,750	Extension of Albernia Sisulu Expressway	Infrastructure	Roads, Pavements, Bridges & Stormwater	500	7,000	21,000	18,000
Roads and Stormwater	5,000	Aerotropolis: Rhodesfield road network	Infrastructure	Roads, Pavements, Bridges & Stormwater	2,500	6,000	23,000	16,000
Roads and Stormwater	250	N3, Const pedes brid b/w Map & Voslo	Infrastructure	Roads, Pavements, Bridges & Stormwater	100	1,000	250	4,000
Roads and Stormwater	6,000	Tertiary Rds South Dept Construction	Infrastructure	Roads, Pavements, Bridges & Stormwater	4,000	6,000	4,000	4,000
Roads and Stormwater	250	Doubling Barry Marais Rd	Infrastructure	Roads, Pavements, Bridges & Stormwater	100	250	1,500	6,500
Roads and Stormwater	200	De-silting Esburg dam	Infrastructure	Roads, Pavements, Bridges & Stormwater	100	1,500	1,500	-
Roads and Stormwater	1,500	Silt & rubbish trap: Boksburg lake	Infrastructure	Roads, Pavements, Bridges & Stormwater	1,000	8,000	2,000	-
Roads and Stormwater	500	Kaal Spruit rehabilitation	Infrastructure	Roads, Pavements, Bridges & Stormwater	-	500	4,000	8,000
Roads and Stormwater	500	Easingweni Pedestrian facilities/bridge	Infrastructure	Roads, Pavements, Bridges & Stormwater	200	500	5,000	6,000
Roads and Stormwater	40,000	Rehabilitation of roads: South	Infrastructure	Roads, Pavements, Bridges & Stormwater	3,000	79,000	42,000	45,000
Roads and Stormwater	25,000	Stormwater (AS and Wheni)	Infrastructure	Roads, Pavements, Bridges & Stormwater	20,000	25,000	20,000	25,000
SRAC	7,500	Chris Hani Memorial	Community	Museums & Art Galleries	3,000	6,500	-	-
SRAC	2,000	Construction & Development of Duduza Reconciliation Park	Community	Museums & Art Galleries	500	2,500	-	-
SRAC	20,000	Germiston Theatre	Community	Museums & Art Galleries	2,000	18,000	20,000	-
SRAC	7,000	Construction of New Library: Tsakane	Community	Libraries	1,500	7,000	7,000	-
SRAC	7,000	Construction of New Library: Brakpan	Community	Libraries	1,500	16,000	4,000	-
SRAC	3,000	Rehabilitation of the Boksburg stadium	Community	Sportsfields	-	5,000	-	-
Transport	1,000	Phuthadigaba Taxi Rank (Tokoza)	Infrastructure	Car Parks, Bus Terminals and Taxi Ranks	300	5,000	10,000	-
Transport	6,000	Establish MVRADLTC Kafehong	Other Assets	Other Land and Buildings	1,500	11,700	21,800	-
Waste Management	3,000	Upgrading of public of/olading areas/recycling facilities	Infrastructure	Refuse sites	1,258	2,000	3,000	-
Water & Sanitation	40,000	Water Intelligent Meters	Infrastructure	Water Reservoirs & Retiulation	26,000	20,000	20,000	-
Water & Sanitation	12,172	Edenvale: Ilfordale Outfall sewer	Infrastructure	Sewerage Purification & Retiulation	5,172	1,500	10,000	4,500
Water & Sanitation	8,000	Upgrade Outfall Sewers in Vosloorus C/F	Infrastructure	Sewerage Purification & Retiulation	4,000	14,000	1,500	-
Water & Sanitation	7,000	Benoni: Refining of Lakeside Mall	Infrastructure	Sewerage Purification & Retiulation	3,000	1,000	-	-
Water & Sanitation	5,000	Upgrade Water Network C/F Etwatwa X19	Infrastructure	Water Reservoirs & Retiulation	1,000	1,000	15,000	10,000
Water & Sanitation	3,500	Kwa-Thema: Upgrading of water network C/F	Infrastructure	Water Reservoirs & Retiulation	2,500	1,000	-	-
Water & Sanitation	9,200	Germiston: Elimination of Kippoorffje s pump s	Infrastructure	Sewerage Purification & Retiulation	6,250	10,200	500	-
Water & Sanitation	1,400	Langaville: Upgrade water and sewer network	Infrastructure	Sewerage Purification & Retiulation	250	11,000	2,000	-
Water & Sanitation	8,000	Tsakane: Upgrade Xhosa / Zulu water P/S	Infrastructure	Water Reservoirs & Retiulation	200	18,000	16,000	500
Water & Sanitation	500	Tembisa: Western OF sewer	Infrastructure	Sewerage Purification & Retiulation	100	500	3,000	3,000
Water & Sanitation	5,000	Brakpan: Replace outfall sewer Casselkale	Infrastructure	Sewerage Purification & Retiulation	4,000	5,000	-	-
Water & Sanitation	6,000	Germiston: Elsburg outfall sewer (H385) (P 2&3) C/F	Infrastructure	Sewerage Purification & Retiulation	2,500	5,000	500	-
Water & Sanitation	8,000	Brakpan: New and upgrading supply pipework	Infrastructure	Water Reservoirs & Retiulation	6,000	10,000	4,200	-
Water & Sanitation	12,000	Pomona: Bulk supply Albernia Sisulu Corridor	Infrastructure	Water Reservoirs & Retiulation	1,500	15,000	20,000	50,000
Water & Sanitation	12,000	Pomona: New Eastern OF sewer	Infrastructure	Sewerage Purification & Retiulation	5,051	15,000	39,700	40,000
Water & Sanitation	53,105	Palm Ridge Phases 5 & 6 Bulk & Essential Services	Infrastructure	Sewerage Purification & Retiulation	44,905	106,200	40,817	-
Water & Sanitation	3,000	Etwatwa Ex 35 Essential Services	Infrastructure	Sewerage Purification & Retiulation	500	12,000	4,500	-

2.13 Legislation compliance status

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

2.13.1 In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Metro's website.

2.13.2 Internship programme

The Metro is participating since 2008 actively in the Municipal Financial Management Internship programme. The programme started with five interns undergoing training in various divisions of the Financial Services Department. Of the five interns one has been appointed permanently from June 2009. The remaining four have completed their two year contract on 28 February 2010, and extension for one year has been granted by National Treasury. Since the introduction of the Internship programme the Metro has successfully employed and trained 33 interns through this programme and a majority of them were appointed either in the Metro or other Institutions such as KPMG, Ernest and Young, SARS, Auditor General, National Treasury. Three additional interns have been appointed with effect from 1 March 2011.

2.13.3 Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

2.13.4 Audit Committee

An Audit Committee has been established and is fully functional.

2.13.5 Service Delivery and Implementation Plan

Council compiled a detailed SDBIP document in 2012/13 MTREF. It has now been updated after the 2013/14 draft MTREF was compiled. The detailed SDBIP is reflected in MBRR Schedule SA7 of the report.

2.13.6 Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.13.7 MFMA Training

The MFMA training module in electronic format is presented at the Metro's internal centre and training is ongoing.

2.13.8 Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

2.14 Other supporting documents

Table 85 MBRR Table SA1 - Supporting detail to budgeted financial performance

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	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand													
REVENUE ITEMS:													
Property rates													
Total Property Rates	2,648,035		3,067,144		3,138,177		3,639,360	3,639,360	3,686,908	3,686,908	4,167,778	4,552,230	4,893,648
less Revenue Foregone	516,035		636,097		547,778		599,127	599,127	824,068	824,068	627,501	674,563	725,155
Net Property Rates	2,131,999		2,431,047		2,590,399		3,040,233	3,040,233	2,862,840	2,862,840	3,540,277	3,877,667	4,168,492
Service charges - electricity revenue													
Total Service charges - electricity revenue	6,057,776		7,773,997		9,086,646		10,541,911	10,547,311	10,482,829	10,482,829	11,499,685	12,418,145	13,409,895
less Revenue Foregone			185,003										
Net Service charges - electricity revenue	6,057,776		7,588,994		9,086,646		10,541,911	10,547,311	10,482,829	10,482,829	11,499,685	12,418,145	13,409,895
Service charges - water revenue													
Total Service charges - water revenue	2,035,429		1,426,931		2,322,701		2,712,945	2,712,945	2,604,752	2,604,752	2,902,124	3,192,337	3,511,570
less Revenue Foregone			242,553		269,106		298,356	298,356	312,955	312,955	327,654	360,419	396,461
Net Service charges - water revenue	2,035,429		1,184,378		2,053,595		2,414,589	2,414,589	2,291,797	2,291,797	2,574,470	2,831,917	3,115,109
Service charges - sanitation revenue													
Total Service charges - sanitation revenue	442,628		860,674		924,542		1,079,005	1,079,005	1,047,538	1,047,538	1,132,768	1,217,725	1,309,058
less Revenue Foregone			179,418		208,557		240,987	240,987	252,342	252,342	269,905	290,148	311,909
Net Service charges - sanitation revenue	442,628		681,256		715,985		838,018	838,018	795,196	795,196	862,863	927,578	997,149
Service charges - refuse revenue													
Total refuse removal revenue	564,339		610,983		726,039		964,611	964,611	969,848	969,848	1,147,822	1,269,866	1,377,631
Total landfill revenue													
less Revenue Foregone													
Net Service charges - refuse revenue	564,339		610,983		726,039		964,611	964,611	969,848	969,848	1,147,822	1,269,866	1,377,631
Other Revenue by source													
Fuel Levy							1,363,911	1,363,911	1,363,911	1,363,911	1,406,096	1,487,764	1,556,201
Other revenue	1,588,507		69,724		105,667		57,489	59,104	60,889	60,889	62,119	54,777	57,461
Internal Recoveries													
Total 'Other' Revenue	1,588,507		69,724		105,667		1,421,400	1,423,015	1,424,800	1,424,800	1,458,215	1,542,541	1,613,662

Description	EKU Ekurhuleni Metro - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'										2013/14 Medium Term Revenue & Expenditure Framework		
	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14		2014/15	
	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year 2014/15	Budget Year +2 2015/16	
R thousand													
EXPENDITURE ITEMS:													
Employee related costs													
Basic Salaries and Wages	2,795,360	2,630,161	2,576,453	2,576,453	3,231,017	3,330,052	3,231,017	2,788,953	2,788,953	3,760,260	4,008,437	4,284,977	
Pension and UIF Contributions	529,586	934,286	607,591	607,591	686,447	687,447	686,447	664,467	664,467	764,668	815,136	867,305	
Medical Aid Contributions	322,418	-	212,884	212,884	339,301	339,301	339,301	345,096	345,096	342,054	364,629	387,965	
Overtime	323,023	332,031	366,826	366,826	344,450	344,450	344,450	321,471	321,471	372,142	396,703	422,052	
Performance Bonus	-	-	-	-	-	-	-	-	-	-	-	-	
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-	-	-	-	
Telephone Allowance	6,420	-	8,614	8,614	8,433	8,433	8,395	8,018	8,018	11,441	12,196	12,977	
Housing Allowances	-	-	-	-	-	-	-	-	-	-	-	-	
Other benefits and allowances	-	-	24,189	24,189	-	-	-	-	-	-	-	-	
Payments in lieu of leave	-	-	73,118	73,118	15,193	15,193	15,193	78,776	78,776	16,300	17,376	18,488	
Long service awards	20,557	60,813	181,704	181,704	-	-	-	-	-	-	-	-	
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	-	-	
sub-total	4,001,365	3,957,292	4,139,363	4,139,363	4,724,876	4,724,876	4,626,038	4,206,782	4,206,782	5,266,864	5,614,477	5,973,804	
Less: Employees costs capitalised to PPE	29,678	156,847	29,831	29,831	116,274	116,274	116,274	116,274	116,274	132,791	141,556	150,615	
Total Employee related costs	3,971,687	3,800,445	4,109,532	4,109,532	4,608,602	4,608,602	4,509,764	4,090,507	4,090,507	5,134,073	5,472,921	5,823,189	
Contributions recognised - capital													
<i>List contributions by contract</i>													
Total Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciation & asset impairment													
Depreciation of Property, Plant & Equipment	2,080,533	2,063,499	2,024,404	2,024,404	2,194,238	2,194,238	2,194,238	2,242,026	2,242,026	2,282,007	2,396,108	2,516,913	
Lease amortisation	1,377	5,290	4,740	4,740	6,500	6,500	6,500	4,987	4,987	6,825	7,166	7,525	
Capital asset impairment	331	(102)	-	-	-	-	-	-	-	-	-	-	
Depreciation resulting from revaluation of PPE	1,595,133	-	-	-	959,464	959,464	959,464	959,464	959,464	975,937	1,024,734	1,075,970	
Total Depreciation & asset impairment	484,108	2,068,687	2,029,144	2,029,144	1,241,274	1,241,274	1,361,274	1,287,549	1,287,549	1,312,896	1,378,540	1,447,467	
Bulk purchases													
Electricity Bulk Purchases	3,755,448	4,746,662	5,991,227	5,991,227	6,805,233	6,805,233	6,805,233	6,801,604	6,801,604	7,291,216	7,874,513	8,504,474	
Water Bulk Purchases	1,394,615	1,689,555	1,939,289	1,939,289	2,193,042	2,193,042	2,193,042	2,174,643	2,174,643	2,394,948	2,622,665	2,872,272	
Total bulk purchases	5,150,063	6,436,217	7,930,516	7,930,516	8,998,275	8,998,275	8,998,275	8,976,247	8,976,247	9,686,163	10,497,178	11,376,746	
Transfers and grants													
Cash transfers and grants	57,093	95,127	233,371	233,371	825,801	825,801	825,801	819,377	819,377	782,045	831,907	884,195	
Non-cash transfers and grants	-	39,053	192,102	192,102	312,102	312,102	172,102	145,683	145,683	221,634	245,543	272,315	
Total transfers and grants	57,093	134,180	425,473	425,473	1,137,903	1,137,903	997,903	965,060	965,060	1,003,679	1,077,451	1,156,510	
Contracted services													
<i>List services provided by contract</i>													
Electricity	563,520	614,834	684,663	684,663	755,825	755,825	800,499	663,509	663,509	810,490	876,085	946,172	
Water	563,520	614,834	684,663	684,663	755,825	755,825	800,499	663,509	663,509	810,490	876,085	946,172	
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	
Total contracted services	563,520	614,834	684,663	684,663	755,825	755,825	800,499	663,509	663,509	810,490	876,085	946,172	

EKU Ekurhuleni Metro - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'													
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	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand													
Other Expenditure By Type													
Collection costs	73,530		112,615		131,933		153,263	152,883	151,051	151,051	157,502	165,535	173,646
Contributions to 'other' provisions													
Consultant fees	110,081		140,828		112,056		136,481	178,065	94,945	94,945	299,443	299,443	314,116
Audit fees	12,973		14,186		14,880		17,150	17,150	17,150	17,150	18,076	18,998	19,929
General expenses	1,096,998		184,596		214,602		717,292	950,684	1,159,123	1,159,123	1,299,956	1,251,554	1,339,471
Rental of Equipment (2556250)	41,945		95,784		120,541		98	121	90	90	130	137	144
Vehicle - Fuel (2556775)	69,261		77,807		100,998		106,497	106,250	105,148	105,148	123,054	132,896	143,525
Service Connections (2556335+6365)	59,710		90,707		81,833		98,547	98,547	85,070	85,070	101,998	107,200	112,453
Special Events (2556400)	24,592		46,967		62,876		67,396	71,665	64,864	64,864	94,287	99,501	104,254
Telephone (2556475)	59,735		49,161		53,699		52,000	52,000	-	-	52,000	54,652	57,330
License Software (2556550)	13,824		26,304		38,250		44,794	44,507	39,521	39,521	46,812	49,199	51,610
Printing & Stationery (2555825)	30,626		26,897		30,789		31,641	33,267	27,618	27,618	42,547	44,721	46,912
Insurance Premium (2555350)	37,664		32,411		29,925		31,000	30,465	30,465	30,465	32,000	33,632	35,280
Training Claimable (2556675)	14,186		24,933		25,215		29,210	29,226	23,718	23,718	31,529	33,137	34,760
Refuse Bins Bags & Containers (2556150)	25,119		28,807		17,748		22,181	10,488	15,806	15,806	23,352	24,543	25,746
Land Invasion Relocation (2555410)	3,846		37,532		9,401		12,000	12,000	9,418	9,418	12,000	12,612	13,230
Community Development Projects (2555075)	13,475		25,449		1,545		2,900	2,900	1,540	1,540	5,880	6,180	6,483
Uniforms & Protective Clothing (2555950)	29,863		18,868		20,636		21,790	25,753	19,908	19,908	38,253	40,204	42,174
Hire of Vehicles (2556800)	21,250		22,458		6,515		6,442	8,682	4,182	4,182	6,101	6,689	7,116
Postage (2556625)	16,090		16,884		18,726		18,417	18,444	17,886	17,886	41,026	43,118	45,231
Rental of Buildings & Facilities (2556225)	13,322		13,866		14,268		20,899	20,731	15,345	15,345	18,987	20,506	22,146
Community Based Programmes (2556450)	-		6,893		42,998		45,200	45,200	45,200	45,200	101,000	106,151	111,352
General Consumables (2555725)	17,717		18,155		21,078		17,015	17,575	16,292	16,292	17,851	18,761	19,680
Software Development (2555875)	421		3,782		6,236		13,043	13,535	4,980	4,980	12,158	12,778	13,404
Membership Fees (2555975)	9,207		9,812		9,704		12,741	12,801	12,659	12,659	11,719	14,439	15,170
Network Extensions (25505990+5996)	11,791		12,342		10,923		18,099	18,687	9,693	9,693	19,243	20,224	21,215
Rehabilitation Landfill Sites (2556125)	8,149		1,054		-		8,736	8,736	-	-	8,736	9,181	9,631
Total 'Other' Expenditure	1,815,372		1,139,099		1,197,375		1,704,832	1,980,897	1,971,674	1,971,674	2,615,640	2,625,892	2,786,010
Repairs and Maintenance by Expenditure Item													
Employee related costs	-		-		-		694,936	694,936	694,936	694,936	722,326	769,999	819,279
Other materials	1,566,523		1,781,722		1,737,189		1,260,360	1,272,883	1,169,793	1,169,793	1,396,604	1,480,519	1,567,699
Contracted Services	-		-		-		-	-	-	-	-	-	-
Other Expenditure	-		-		-		-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1,566,523		1,781,722		1,737,189		1,955,296	1,967,819	1,864,719	1,864,719	2,118,929	2,250,519	2,386,978

Table 86 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

EkuKuruleni Metro - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)		Vote 1 - Executive and Council	Vote 2 - Finance and Corporate	Vote 3 - Energy	Vote 4 - Water and Sanitation	Vote 5 - Waste Management	Vote 6 - Human Settlements	Vote 7 - City Planning	Vote 8 - Economic Development	Vote 9 - Disaster and Emergency	Vote 10 - Sports, Recreation,	Vote 11 - Health and Social	Vote 12 - Environmental Resource	Vote 13 - Ekurhuleni Metropolitan	Vote 14 - Transport Planning & Stormwater	Vote 15 - Roads and Stormwater	Total
R thousand	Description																
	Revenue By Source																
	Property rates	-	3,540,277	-	-	-	-	-	-	-	-	-	-	-	-	-	3,540,277
	Property rates - penalties & collection charges	-	62,392	-	-	-	-	-	-	-	-	-	-	-	-	-	62,392
	Service charges - electricity revenue	-	-	11,499,685	-	-	-	-	-	-	-	-	-	-	-	-	11,499,685
	Service charges - water revenue	-	-	-	2,574,470	-	-	-	-	-	-	-	-	-	-	-	2,574,470
	Service charges - sanitation revenue	-	-	-	862,863	-	-	-	-	-	-	-	-	-	-	-	862,863
	Service charges - refuse revenue	-	-	-	-	1,147,822	-	-	-	-	-	-	-	-	-	-	1,147,822
	Service charges - other	-	-	-	-	-	-	-	17,707	9,096	150	26,257	806	15,756	75	-	69,772
	Rental of facilities and equipment	-	14,280	-	-	-	33,004	-	7,278	0	5,767	723	-	-	-	-	61,127
	Interest earned - external investments	-	195,500	-	-	-	-	-	115	-	-	-	-	-	-	-	195,615
	Interest earned - outstanding debtors	-	20,729	34,000	120,000	26,894	-	-	-	-	-	-	-	-	-	-	201,712
	Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Fines	-	90,211	6,250	70	-	-	2,004	-	3,369	1,114	180	-	86,333	1,000	-	185,158
	Licences and permits	-	33,483	-	-	-	-	-	-	-	-	128	-	-	-	-	38,985
	Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	246,055	-	246,055
	Other revenue	22	1,417,853	10,194	1,501	-	-	125	5	880	1,219	990	2,261	915	13,617	6,633	1,456,215
	Transfers recognised - operational	-	946,908	270,000	838,800	91,680	191,982	23,808	-	129,001	3,700	118,616	-	-	4,000	-	2,618,495
	Gains on disposal of PPE	-	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000
	Total Revenue (excluding capital transfers and contributions)	22	6,326,632	11,820,129	4,397,705	1,266,485	224,986	25,937	25,105	142,347	11,950	119,915	29,241	87,248	280,428	9,514	24,767,643
	Expenditure By Type																
	Employee related costs	111,070	1,310,505	130,018	51,544	334,728	83,618	99,941	35,893	561,343	363,044	613,153	418,856	744,529	222,399	53,432	5,134,073
	Remuneration of councillors	97,286	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97,286
	Debt impairment	-	318,716	678,499	90,710	54,719	1,922	-	-	-	-	-	-	-	-	-	1,144,566
	Depreciation & asset impairment	(3,380)	96,422	241,866	66,751	38,503	72,389	(71)	4,519	33,224	108,536	32,424	26,460	-	-	566,254	1,312,896
	Finance charges	-	229,324	168,787	60,689	67,324	127,320	-	-	-	-	41,771	-	-	-	-	685,215
	Bulk purchases	-	-	7,291,216	2,394,948	-	-	-	-	-	-	-	-	-	-	-	9,686,163
	Other materials	303	196,711	741,905	401,773	101,914	24,220	22,583	3,095	28,574	29,226	6,956	59,824	22,286	19,365	460,195	2,118,929
	Contracted services	750	180,232	152,163	35,959	222,866	-	328	-	29,223	4,854	3,161	40,642	128,206	7,136	4,970	810,490
	Transfers and grants	3,675	539,499	329,766	30,324	91,680	3,500	-	-	-	-	3,734	-	-	1,500	-	1,003,679
	Other expenditure	52,193	(208,996)	1,070,849	510,625	382,024	306,907	61,211	59,024	41,438	80,729	56,612	59,387	89,770	44,612	29,255	2,615,640
	Loss on disposal of PPE	-	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000
	Total Expenditure	261,897	2,687,413	10,795,068	3,642,323	1,293,758	619,876	183,992	102,531	693,802	586,389	757,812	605,169	964,790	295,012	1,144,106	24,633,937
	Surplus/(Deficit)	(261,874)	3,639,219	1,025,061	755,382	(27,273)	(394,890)	(158,056)	(77,426)	(551,455)	(574,439)	(637,897)	(575,928)	(877,542)	(14,584)	(1,134,592)	133,706
	Transfers recognised - capital	-	50,000	184,731	161,200	41,700	69,550	-	35,255	25,554	137,400	66,860	38,600	15,700	293,243	571,645	1,691,438
	Contributions recognised - capital	-	(130,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	(130,000)
	Contributed assets	(261,874)	3,559,219	1,209,792	916,582	14,427	(325,340)	(158,056)	(42,171)	(525,900)	(437,039)	(571,037)	(537,328)	(881,842)	278,655	(562,947)	1,695,144
	Surplus/(Deficit) after capital transfers & contributions																

Table 87 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14		2013/14 Medium Term Revenue & Expenditure Framework	
	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand													
ASSETS													
Call investment deposits													
Call deposits < 90 days													
Other current investments > 90 days	246,306	20,000	21,285	21,285	20,000	20,000	20,000	21,285	21,285	21,285	21,285	21,285	
Total Call investment deposits	246,306	20,000	21,285	21,285	20,000	20,000	20,000	21,285	21,285	21,285	21,285	21,285	
Consumer debtors													
Consumer debtors	8,785,015	9,635,056	8,344,960	8,344,960	13,025,708	13,025,708	13,025,708	9,760,012	9,760,012	10,603,433	12,193,127	13,984,168	
Less: Provision for debt impairment	(6,255,039)	(7,187,583)	(5,660,994)	(5,660,994)	(10,773,265)	(10,773,265)	(10,773,265)	(6,941,662)	(6,941,662)	(8,125,747)	(9,467,671)	(10,986,167)	
Total Consumer debtors	2,529,976	2,447,473	2,683,966	2,683,966	2,252,443	2,252,443	2,252,443	2,818,350	2,818,350	2,477,687	2,725,456	2,998,001	
Debt impairment provision													
Balance at the beginning of the year	5,433,743	6,255,039	7,187,583	7,187,583	9,486,396	9,486,396	9,486,396	5,660,994	5,660,994	6,941,662	8,125,747	9,467,671	
Contributions to the provision	1,383,962	1,445,304	1,570,905	1,570,905	1,286,869	1,286,869	1,286,869	1,280,668	1,280,668	1,184,084	1,341,924	1,518,496	
Bad debts written off	(562,667)	(512,761)	(3,087,493)	(3,087,493)									
Balance at end of year	6,255,039	7,187,583	5,660,994	5,660,994	10,773,265	10,773,265	10,773,265	6,941,662	6,941,662	8,125,747	9,467,671	10,986,167	
Property, plant and equipment (PPE)													
PPE at cost/valuation (excl. finance leases)	51,030,462	49,130,117	51,085,483	51,085,483	55,141,395	55,141,395	55,048,297	54,081,899	54,081,899	57,859,326	60,826,369	64,058,734	
Leases recognised as PPE													
Less: Accumulated depreciation	4,575,027	6,504,769	8,509,566	8,509,566	7,391,688	7,391,688	7,391,688	7,391,688	7,391,688	9,510,617	11,761,135	14,148,112	
Total Property, plant and equipment (PPE)	46,455,434	42,625,347	42,575,917	42,575,917	47,749,707	47,749,707	47,656,609	46,690,211	46,690,211	48,348,709	49,065,234	49,910,622	
LIABILITIES													
Current liabilities - Borrowing													
Short term loans (other than bank overdraft)	419,494	175,354	182,305	182,305	576,111	576,111	576,111	576,087	576,087	178,648	162,000	180,408	
Current portion of long-term liabilities													
Total Current liabilities - Borrowing	419,494	175,354	182,305	182,305	576,111	576,111	576,111	576,087	576,087	178,648	162,000	180,408	
Trade and other payables													
Trade and other creditors	2,339,238	2,463,874	2,685,831	2,685,831	3,151,006	3,151,006	3,151,006	3,151,006	3,151,006	3,466,107	3,812,718	4,075,795	
Unspent conditional transfers	200,485	133,881	99,676	99,676	99,676	99,676	99,676						
VAT													
Total Trade and other payables	2,539,723	2,597,755	2,785,507	2,785,507	3,250,682	3,250,682	3,250,682	3,151,006	3,151,006	3,466,107	3,812,718	4,075,795	
Non current liabilities - Borrowing													
Borrowing	2,276,068	3,715,714	4,333,206	4,333,206	4,557,118	4,557,118	4,557,118	4,557,118	4,557,118	5,163,597	5,998,703	6,818,395	
Finance leases (including PPP asset element)													
Total Non current liabilities - Borrowing	2,276,068	3,715,714	4,333,206	4,333,206	4,557,118	4,557,118	4,557,118	4,557,118	4,557,118	5,163,597	5,998,703	6,818,395	

EKU Ekurhuleni Metro - Supporting Table SA3 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	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand													
Provisions - non-current													
Retirement benefits	1,281,183	1,378,113	1,502,271			1,542,438	1,542,438	1,542,438	1,542,438	1,664,796	1,771,343	1,902,423	
<i>List other major provision items</i>													
Refuse landfill site rehabilitation	468,017	503,152	649,199			689,450	689,450	689,450	689,450	737,022	789,351	843,815	
Other	1,749,200	1,881,265	2,151,470			2,231,888	2,231,888	2,231,888	2,231,888	2,401,818	2,560,694	2,746,238	
Total Provisions - non-current													
CHANGES IN NET ASSETS													
Accumulated Surplus/(Deficit)													
Accumulated Surplus/(Deficit) - opening balance	42,321,242	42,880,968	38,275,480			41,450,675	41,450,546	41,450,546	41,450,546	42,019,691	42,785,102	43,752,244	
GRAP adjustments	(553,228)	(3,532,561)											
Restated balance	41,768,014	39,348,407	38,275,480			41,450,675	41,450,546	41,450,546	41,450,546	42,019,691	42,785,102	43,752,244	
Surplus/(Deficit)	1,112,954	(1,072,927)	565,272			1,415,212	1,198,766	1,701,899	1,701,899	1,695,144	1,753,113	1,839,648	
Appropriations to Reserves										(130,000)	(95,000)	(290,000)	
Transfers from Reserves	1,598,133	1,239,285	1,084,374			959,464	839,464	959,464	959,464	975,937	1,024,734	1,075,970	
Depreciation offsets	(1,598,133)	(1,239,285)	(1,084,374)			(959,464)	(839,464)	(959,464)	(959,464)	(975,937)	(1,024,734)	(1,075,970)	
Other adjustments							216,446	(286,687)	(286,687)				
Accumulated Surplus/(Deficit)	42,880,968	38,275,481	38,840,752			42,865,886	42,865,757	42,865,757	42,865,757	43,584,835	44,443,215	45,301,892	
Reserves													
Housing Development Fund													
Capital replacement										130,000	95,000	290,000	
Self-insurance													
Other reserves													
Revaluation													
Total Reserves										130,000	95,000	290,000	
TOTAL COMMUNITY WEALTH/EQUITY	42,880,968	38,275,481	38,840,752			42,865,886	42,865,757	42,865,757	42,865,757	43,714,835	44,538,215	45,591,892	
Total capital expenditure includes expenditure on nationally significant priorities:													
Provision of basic services													

Table 88 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

EKU Ekurhuleni Metro - Supporting Table SA9 Social, economic and demographic statistics and assumptions										
Description of economic indicator	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	2,027	2,480	2,724	2,685	2,724	-				
Females aged 5 - 14	179	200	220	244	214	251				
Males aged 5 - 14	184	196	213	235	208	245				
Females aged 15 - 34	483	489	502	489	413	735				
Males aged 15 - 34	454	532	536	512	377	588				
Unemployment	235	332	434	390	1,098	-				
Monthly household income (no. of households)										
No income						1,343,776				
R1 - R1 600						651,995				
R1 601 - R3 200						267,068				
R3 201 - R6 400						216,468				
R6 401 - R12 800						173,485				
R12 801 - R25 600						131,331				
R25 601 - R51 200						55,294				
R52 201 - R102 400						15,566				
R102 401 - R204 800						5,117				
R204 801 - R409 600						3,518				
R409 601 - R819 200										
> R819 200										
Poverty profiles (no. of households)										
< R2 060 per household per month										
Insert description										
Household/demographics (000)										
Number of people in municipal area	1,954,323	2,462,202	2,724,229	2,685,196	2,943,920	2,958,086	2,958,086	3,126,143	3,158,257	3,189,840
Number of poor people in municipal area	335,490	402,456	386,091	356,003	359,563	363,000	363,000	370,000	373,700	377,437
Number of households in municipal area										
Number of poor households in municipal area										
Definition of poor household (R per month)	R2 per day	R5 per day	R6 per day	R5 per day	Less than R900 P/M	Less than R900 P/M	Less than R1100 P/M	Less than R1300 P/M	Less than R1500 P/M	Less than R1500 P/M
Housing statistics										
Formal	324,789	385,743	396,520	622,658	541,885	568,979	568,979	708,306	849,967	1,019,961
Informal	34,219	66,563	104,005	230,034	307,464	315,151	315,151	261,715	222,457	200,211
Total number of households	359,008	452,306	500,525	852,692	849,349	884,130	884,130	970,021	1,072,424	1,220,172
Dwellings provided by municipality										
Dwellings provided by province/s										
Dwellings provided by private sector										
Total new housing dwellings	-	-	-	-	-	-	-	-	-	-
Economic										
Inflation/inflation outlook (CPIX)				6.2%	4.8%	4.7%	4.7%	5.5%	5.1%	4.9%
Interest rate - borrowing										
Interest rate - investment						4.7%	4.7%	5.0%	10.0%	7.5%
Remuneration increases				15.1%	12.0%	12.0%	12.0%	7.0%	6.6%	6.4%
Consumption growth (electricity)				4.5%	0.0%	-2.5%	-2.5%	1.4%	0.0%	0.0%
Consumption growth (water)				3.0%	3.0%	2.5%	2.5%	-2.9%	1.7%	1.7%
Collection rates										
Property tax/service charges				89.6%	91.8%	93.0%	93.0%	93.0%	93.0%	93.0%
Rental of facilities & equipment										
Interest - external investments										
Interest - debtors				89.6%	91.8%	93.0%	93.0%	93.0%	93.0%	93.0%
Revenue from agency services				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

2.16 Municipal manager's quality certificate



Municipal Manager's Quality Certificate

I KHAYA NGEMA, Municipal Manager of Ekurhuleni Metropolitan Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development of the municipality.

Name of Municipal Manager: KHAYA NGEMA

Municipal Manager of Ekurhuleni Metropolitan Municipality (GT000)

Signature:

A handwritten signature in black ink, appearing to read "Khaya Ngema", is written over a horizontal line.

Date:

09-05-13